REPUBLICA dos E.U. do BRAZIL

BANK NOTES

----CONFIDENTIAL----

1930-1931

#575

TRANSFER FILE

to Plant

Bank Notes (Confidential) - 1930-1931 575

TRANSFER FILE
to Plant

Bank Notes (Confidential) 1920-51 575

TRANSFER FILE

Checked

Bradbury, Wilkinson & Co., Ltd.

D.E.W.
JUL 10 1930

Subject BRAZIL

C.P.R.
JUL 12 1930

Date 30th June, 1930.

London
to
New York

ack d
7/11/30

We received a letter from the Secretary of the British Chamber of Commerce in Rio de Janeiro, copy of which I send you herewith. The letter received by us is obviously a carbon copy, so we may take it that it is a circular letter and has been addressed to other British bank note firms. On receipt of this letter, would you be good enough to cable me what you wish us to do in the matter.

COPY

BRITISH CHAMBER OF COMMERCE IN BRAZIL

Telegraohic Address:-
"CHAMBRIT" RIO.

Caixa Postal No. 56,
Rio de Janeiro,

C. P. R.
JUL 12 1930

14th June, 1930.

CONFIDENTIAL.

Brazilian Treasury.

Dear Sirs,

I have information from a reliable source that the Federal Treasury of the Brazilian Government will shortly purchase a large supply of currency notes and there is a possibility that they will also wish to acquire the necessary machinery to equip their Mint so that it will be possible for them in future to print their notes which for some time past have been purchased in America. I am confidentially informed that last week the National Treasury purchased from Cartieri Pietro Milani S.A. of Fabriano Italy, one million, two hundred thousand notes of 50$ and 200$; and from the American Bank Note Company., three million notes of 5$, 10$, 20$, 100$, 500$. It is calculated that this quantity will be sufficient for exchange and substitution up to the end of the current year. I am also informed in the strictest confidence that the Brazilian Government is desirous of making an entirely new emission to substitute all of the notes now in circulation in Brazil. My informant calculates that this will necessitate an order of approximately 50 million notes of denominations ranging from 5$ to 500$ and that delivery will probably be made in lots of 10 to 15 million notes per annum. I am told that proposals have been invited for both currency notes and machinery, and I know that one proposal has already been presented by a British firm.

My informant, who has been introduced and vouched for by a highly respected member of our Chamber, has a vast experience in connection with sales of supplies to the Brazilian Government and is desirous of obtaining a British connection for the supply of these currency notes and machinery for the Brazilian Treasury. The order will be an important one and from what I am told of my informant, I believe that even under equality of conditions he would be a very formidable competitor for the business. He tells me that preference will be given to the manufacturers who besides quoting the best prices for the best paper and design will undertake to furnish the machinery and all other materials necessary for the complete equipment of the Mint, should the Government later decide to buy the equipment for the purpose of printing in Brazil the notes necessary for exchange and substitution.

It should be understood that although the object in view is to purchase the currency notes and not the machinery, my informant tell me that preference will be given to the proposal that offers a chance to the Government of obtaining the machinery at any time they may wish to acquire it. Your proposal should therefore be based on the following conditions:-

(1). The possibility of the Brazilian Government acquiring the necessary machinery for their Mint. The

C.P.R.
JUL 12 1930

instruction of Brazilian operators by British technical experts either in Brazil or at the factory in England in order that these Brazilians may later take charge of the Mint at Rio.

(2) The Manufacturers should be ready to assist the Brazilian Government with their advice and technical staff in everything pertaining to the perfect functioning of the machines, printing and engraving, in accordance with the conditions to be discussed and fixed in the respective contract.

(3) Seven denominations of notes will be required, viz., 5$, 10$, 20$, 50$, 100$, 200$, 500$, Size: reasonably small. The capacity of the machinery will be 5 million notes per annum of the various nominations necessary for the substitution and exchange of those mutilated.

(4) The supply of the machinery under the conditions given above will be the subject of the placing of an order by the Government for the new notes to be emitted in substitution of those at present in circulation.

(5) The proposal for the supply of the notes will be subject to the following conditions:-

(a). Minimum order 10 million notes.

(b). The relative denomination and size will be approximately those for which quotations have already been received, which quotations are given below:

Denominations.	Size of engraving in MMs.	Prices per Thousand.		
		British.	American.	Italian.
500$000	185 x 80	£ 2-6-0	$ 45.00	£7- 0 -0
200$000	180 x 79	£ 2-4-0	$ 25.00	£ 4-10-0
100$000	176 x 76	£ 2-3-0	$ 23.00	£ 4- 0-0
50$000	174 x 75	£ 1-18-0	$ 22.00	£ 3-10-0
20$000	168 x 74	£ 1-15-6	$ 20.00	£ 3- 0-0
10$000	165 x 72	£ 1-15-0	$ 18.50	£ 2-10-0
5$000	155 x 67	£ 1-11-3	$ 17.00	£ 2- 0-0

Your proposal should offer some advantage over the lowest price given above, and should include a commission for the gentleman on whose behalf I am writing you, in order, as he puts it, "to compensate him for his trouble, and also to allow him to meet certain necessary... expenses in connection therewith."

All of the above has been extracted from a three page letter in Portuguese written at my request and confirming a conversation which took place between us yesterday. The gentleman in question is:

C.P.R.
JUL 12 1930

Illmo. Snr.,
Frederico Diehl,
Rua Uruguayana No. 141.
Rio de Janeiro.

Telegraphic Address: "Deberta" RIO.

Unfortunately he is out of town until Monday and is not available to clear up one or two points about which I should like to have some further information.

He impressed upon me however the necessity for maintaining absolute secrecy in connection with this enquiry as it has not been made public. As the Government is now studying the proposals before them, it will be necessary for you to cable immediately upon receipt of this letter advising whether you are interested and stating what further information you require.

You may either cable to Diehl or to the Chamber, and if we can be of any service to you in connection with this or any other matter please do not hesitate to instruct us.

Yours faithfully,

Signed.

W.S. Bogue
Secretary.

Messrs. Bradbury Wilkinson & Co. Ltd.,
West Barnes Lane,
New Malden, Surrey.

P.S. Please understand that the Chamber takes no responsibility for the exactness of any of the information given above, which information is being passed on to you at Diehl's request.

W.S.B.

ack'd 7/11/30

C. P. R.
JUL 12 1930

July 8, 1930.

D. E. Woodhull
New York

Ewpox		July 8th
	Erlor	BRAZIL
Erwyn		refer to our letter of
	Ewcyw	June
Azsak		have received this day
	Addek	cable
Aczuj		British
	Ensef	Chamber of Commerce
Erlev		Rio de Janeiro
	Accew	ask ing
Egduj	Ecgap	if we are willing to submit
	Azjud	proposals
STOP		STOP
	Acbyg	as
Ensow		President-
	Ahmyk	Elect
Erlor		Brazil
	Ajtuc	has
Akzuk		just
	Efnec	visited
Ensyr		King
	Axfyj	of
Erkoj		England
	Absej	and there
Abved		appears to be
	Agtup	desire
Axruf		on the part of
	Erlor	Brazil
Ahhec		to do

No 2 from B. W. (Brazil)

C. P. R.
JUL 12 1930

Aczew		business
	Erkoj	England
Abruv		and from
	Alfog	letter
Ajjes		forwarded
	Edgah	to you
Abvad		appears that
	Alded	at least
Axhab		one
	Ahpun	English
Ajhif		firm
	Akvox	is
Aflis		competing
	Echyp	suggest
Abwyg		if it meets your approval
	Ecvub	that we
Ecnys		telegraph to
	Erlev	Rio de Janeiro
Ajham		as follows
	Ectis	We thank you for
Akpud		inquiry
	Adbyn	but as
Azbix		we are not prepared to
	Adnad	under any circumstances
Ecjiz		if we can get the contract to supply
	Alkob	machinery
Acdez		assume that
	Abtep	any
Ecpif		tender
	Ecgap	submitted
Adcez		by us
	Azsil	not likely to receive
Ajfos		favorable
	Afvun	consideration

C. P. R.
JUL 12 1930

No. 3 B. W. & Co. (Brazil)

STOP		STOP
	Ajsuv	on the other hand
Akgyg		if this will not
	Ackyd	be
Azbum		to our prejudice
	Ajmoz	shall be very glad to
Azdet		give prices
	Akhyj	if you will
Ajlyc		furnish
	Agnup	definite
Azmeg		quantity
	Agrix	each denomination
Ahnev		end
	Aznic	quotation
Axwon		please
	Ecmav	advise us as soon as possible by telegram
Egdyt		what do you wish us to do
	Epxan	H. L. Hendriks

To make inquiries about this cable call HANOVER 2920 EXTENSIONS 128 AND 129

RONS ARE REQUESTED TO FAVOR THE COMPANY BY CRITICISM AND SUGGESTION CONCERNING ITS SERVICE

Form 1280

WESTERN UNION CABLEGRAM

AM 8 46

ANGE N.Y.
GREEN 4782

9

NEWCOMB CARLTON, PRESIDENT

J. C. WILLEVER, FIRST VICE-PRESIDENT

SIGNS	
	Full-Rate Cablegram
LCO	Deferred Cablegram
NLT	Cable Letter
WLT	Week-End Letter

1930 JUL 8 AM 8 41

Received at 40 Broad Street (Central Cable Office), New York, N. Y. ALWAYS OPEN

807G NEWMALDEN 43 8/234P

C. P. R.
JUL 12 1930

ELLISWOOD NEWYORK.

D E WOODHULL
70 BROAD ST

EWPOXERLOR ERWYNEWCYW AZSAKADDEK ACZUJENSEF ERLEVACCEW
EGDUJECGAP AZJUDSTOP ACBYGENSOW AHMYKERLOR AJTUCAKZUK
EFNECENSYR AXFYJERKOJ ABSEJABVED AGTUPAXRUF ERLORAHHEC
ACZEWERKOJ ABRUVALFOG AJJESEDGAH ABVADALDED AXHABAHPUN
AJHIFAKVOX AFLISECHYP ABWYGECVUB ECNYSERLEV AJHAMECTIS
AKPUDADBYN AZBIXADNAD ECJIZALKOB ACDEZABTEP ECPIFECGAP
ADCEZAZSIL AJFOSAFVUN STOPAJSUV AKGYGACKYD AZBUMAJMOZ
AZDETAKHYJ AJLYCAGNUP AZMEGAGRIX AHNEVAZNIC AXWONECMAV
EGDYTEPXAN.

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE

C.P.R.
JUL 12 1930

July 8, 1930.

Conf'd 7/11/30

BRADBANK (Bradbury, Wilkinson & Co.)
NEW MALDEN, Surrey (England)

EWPOX esmuh	July 8th refer to your telegram of 8th
EWNEM erlor	July Brasil
ALFOG azvem	letter refer to
AZSIJ agjiw	has not been received Give us exact date
ABRIJ alkyk	and when did you mail
EPXIZ	D. E. Woodhull

(grl)

CHARGE TO THE ACCOUNT OF: $

Commercial Cables

CLARENCE H. MACKAY, PRESIDENT

FULL RATE MESSAGE UNLESS OTHERWISE MARKED

FULL RATE	DEFERRED
URGENT	PREFERRED
NIGHT CABLE LETTER	WEEK-END CABLE LETTER

Sender should mark with an X the class of service desired

ALL AMERICA CABLES

THE COMMERCIAL CABLE COMPANY · MACKAY SYSTEM

POSTAL TELEGRAPH

TELEPHONE
HANOVER 1140

"CABLES TO ALL THE WORLD"

ADDRESS
20 BROAD STREET

FORM CCC 2

Send the following Cablegram, "VIA COMMERCIAL" subject to the terms on back hereof, which are hereby agreed to

C. P. R. July 8, 1930.

JUL 12 1930

BRADBANK
NEW MALDEN, SURREY (England)

EWPOXESMUH EWNEMERLOR ALFOGAZVEM
AZSIJAGJIW ABRIJALKYK EPXIZ

J McGeore

Commercial Cables

ALL AMERICA CABLES **POSTAL TELEGRAPH**

The International System

MAIN CABLE OFFICE
20 BROAD STREET, NEW YORK

ALWAYS OPEN

TELEPHONE HANOVER 1140

TERMS AND CONDITIONS

THE COMMERCIAL CABLE COMPANY may decline to forward any message, though it has been accepted for transmission, but in case of so doing, shall refund to the sender the amount paid for its transmission.

THIS COMPANY WILL NOT ASSUME ANY RESPONSIBILITY IN RESPECT TO ANY MESSAGE BEYOND THE TERMINUS OF ITS OWN LINES.

To guard against mistakes or delays, the sender of a message should WRITE IT LEGIBLY and order it REPEATED; that is, telegraphed back to the sending station for comparison. For such repeating an additional charge of one-half the regular rate will be made.

It is agreed between the sender of the message on the face hereof, and this Company, that said Company shall not be liable for mistakes or delays in transmission or delivery, or for non-delivery, or mis-delivery of any unrepeated message beyond the amount of that portion of the charge which may or shall accrue to this Company out of the amount received from the sender for this, and the other companies, by whose lines such message may pass to reach its destination; and that this Company shall not be liable for mistakes in the transmission or delivery, or for non-delivery, or mis-delivery of any repeated message beyond fifty times the extra sum received by this Company from the sender for repeating such message over its own lines.

This Company is hereby made the agent of the sender without liability to forward any message by the lines of any other company to reach its destination.

This Company shall not be responsible for messages until they are presented and accepted at one of its transmitting offices; if a message be sent to such office by one of the Company's messengers, the messenger acts for that purpose as the agent of the sender; if by telephone, the person receiving the message acts therein as the agent of the sender, and is authorized to assent to these conditions on behalf of the sender.

This Company shall not be liable in any case where the claim is not presented in writing within sixty days after the filing of the message.

It is agreed that prompt and correct transmission and delivery of this message shall be presumed in any action for recovery of the tolls therefor, subject, however, to rebuttal by competent evidence.

This Company shall not be liable in any case for delays arising from interruptions to the working of its lines, nor for errors in cipher or obscure messages.

In any event this Company shall not be held liable for any loss or damage, or for delay or detention, or errors caused by storms or the action of the elements, or other acts of God, or by civil or military authority, or by insurrections, riots, rebellions, or dangers incident to the time of war, or by the unlawful acts of individuals.

This is an UNREPEATED message and is transmitted and delivered by request of the sender under the conditions named above.

No employee of this Company is authorized to vary the foregoing.

CLARENCE H. MACKAY, PRESIDENT.

ack'd
7/11/30

C. P. R.
JUL 12 1930

July 9, 1930.

D. E. Woodhull
New York

Ewpuz	July 9th
Erlor	Brazil
Axlet	our
Alfog	letter
Alkeh	mailed
Ewnur	July 3rd
Ile de France	Ile de France
Ahkad	due
Ergub	New York
Edgoh	today
Epxan	H. L. Hendriks

Commercial Cables

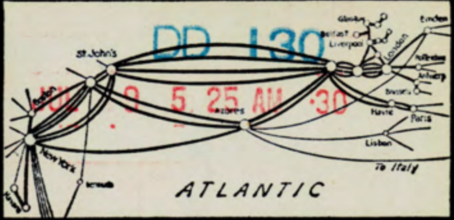
CLARENCE H. MACKAY, PRESIDENT

PACIFIC
Vancouver
Shanghai
Tokio
Bonin Is
Midway Is
San Francisco
Manila
Guam
Honolulu

ALL AMERICA CABLES

THE COMMERCIAL CABLE COMPANY
MACKAY SYSTEM

POSTAL TELEGRAPH


St. John's
Glasgow
Belfast
Liverpool
London
Emden
Azores
Havre
Paris
Lisbon
To Italy
New York
ATLANTIC

DD 130

JUL 9 5 25 AM '30

TELEPHONE
HANOVER 1140

"CABLES TO ALL THE WORLD"

ADDRESS
20 BROAD STREET

FORM CCC 3

D.E.W.
JUL -9 1930

WQ2 X111

C. P. R.

NEWMALDEN 10 1036A

JUL 12 1930

ELLISWOOD NY

EWPUZERLOR AXLETALFOG ALKEHEWNUR ILE DE FRANCE AHKADERGUB

EDGOHEPXAN

C. P. R.
JUL 12 1930

July 10, 1930.

Conf'd 7/11/30

BRADBANK (Bradbury, Wilkinson & Co.)

NEW MALDEN
SURREY (England)

EWPYB erlor	July 10th Brazil
ESMUH ewnem	refer to your telegram of 8th July
ALFOP ewjyl	Have received your letter June 30th
AHZUT aknom	Expect to have information
AGKUC ahgup	any day. Do nothing

EPXIZ	D. E. Woodhull

(grl)

CHARGE TO THE ACCOUNT OF: $

Commercial Cables

CLARENCE H. MACKAY, PRESIDENT

FULL RATE MESSAGE UNLESS OTHERWISE MARKED

FULL RATE	DEFERRED
URGENT	PREFERRED
NIGHT CABLE LETTER	WEEK-END CABLE LETTER

Sender should mark with an X the class of service desired

ALL AMERICA CABLES

THE COMMERCIAL CABLE COMPANY
MACKAY SYSTEM

POSTAL TELEGRAPH

TELEPHONE
HANOVER 1140

"CABLES TO ALL THE WORLD"

ADDRESS
20 BROAD STREET

FORM CCC 2

Send the following Cablegram, "VIA COMMERCIAL" subject to the terms on back hereof, which are hereby agreed to

July 10, 1930.

C. P. R.
JUL 12 1930

BRADBANK
NEW MALDEN
SURREY (England)

EWPYBERLOR ESMUHEWNEM ALFOPEWJYL

AHZUTAKNOM AGKUCAHGUP EPXIZ

M. Murphy.

Commercial Cables

ALL AMERICA CABLES **POSTAL TELEGRAPH**

The International System

MAIN CABLE OFFICE
20 BROAD STREET, NEW YORK

ALWAYS OPEN

TELEPHONE HANOVER 1140

TERMS AND CONDITIONS

THE COMMERCIAL CABLE COMPANY may decline to forward any message, though it has been accepted for transmission, but in case of so doing, shall refund to the sender the amount paid for its transmission.

THIS COMPANY WILL NOT ASSUME ANY RESPONSIBILITY IN RESPECT TO ANY MESSAGE BEYOND THE TERMINUS OF ITS OWN LINES.

To guard against mistakes or delays, the sender of a message should WRITE IT LEGIBLY and order it REPEATED; that is, telegraphed back to the sending station for comparison. For such repeating an additional charge of one-half the regular rate will be made.

It is agreed between the sender of the message on the face hereof, and this Company, that said Company shall not be liable for mistakes or delays in transmission or delivery, or for non-delivery, or mis-delivery of any unrepeated message beyond the amount of that portion of the charge which may or shall accrue to this Company out of the amount received from the sender for this, and the other companies, by whose lines such message may pass to reach its destination; and that this Company shall not be liable for mistakes in the transmission or delivery, or for non-delivery, or mis-delivery of any repeated message beyond fifty times the extra sum received by this Company from the sender for repeating such message over its own lines.

This Company is hereby made the agent of the sender without liability to forward any message by the lines of any other company to reach its destination.

This Company shall not be responsible for messages until they are presented and accepted at one of its transmitting offices; if a message be sent to such office by one of the Company's messengers, the messenger acts for that purpose as the agent of the sender; if by telephone, the person receiving the message acts therein as the agent of the sender, and is authorized to assent to these conditions on behalf of the sender.

This Company shall not be liable in any case where the claim is not presented in writing within sixty days after the filing of the message.

It is agreed that prompt and correct transmission and delivery of this message shall be presumed in any action for recovery of the tolls therefor, subject, however, to rebuttal by competent evidence.

This Company shall not be liable in any case for delays arising from interruptions to the working of its lines, nor for errors in cipher or obscure messages.

In any event this Company shall not be held liable for any loss or damage, or for delay or detention, or errors caused by storms or the action of the elements, or oth acts of God, or by civil or military authority, or by insurrections, riots, rebellions, or dangers incident to the time of war, or by the unlawful acts of individuals.

This is an UNREPEATED message and is transmitted and delivered by request of the sender under the conditions named above.

No employee of this Company is authorized to vary the foregoing.

CLARENCE H. MACKAY, PRESIDENT.

C. P. R.
JUL 12 1930

July 10, 1930.

Cable to Rio Office :

Bradbury, Wilkinson & Co. have received the following confidential information from the British Chamber of Commerce Brazil to tender on an entirely new Treasury note issue to replace the present one in circulation stop. Order to be for about 50 million notes to be delivered over a period of 4 years stop We are further informed that an order for 1,200,000 of 50$000 and 200$000 notes has been placed with Pietro Miliani within the last month stop Frederico Diehl Uruguayana 141 is the informant of the British Chamber of Commerce stop Make discreet investigation and report findings.

Banknote.

Conf'd 7/11/30

C.P.R.
JUL 12 1930

July 10, 1930.

BANKNOTE (John Lane)

Rio (Brazil)

EWPYB enpaf	July 10th Bradbury, Wilkinson & Co., London, Eng.
AZSYJ ajhul	have received follow(ing)
AFSIJ aknom	confidential information
AJKYS ACZUJ	from the British
ENSEF erlor	Chamber of Commerce Brazil
EDGID ecpif	to tender
AXGYR ABraj	on an
AHTON alzeg	entire(ly) new
AMDUN akwiw	Treasury notes issue
EBBAV ecvid	to replace the
AZCAF AXHAB	present one
ADMYV ecfex	in circulation stop
AXJAW aclex	Order to be
AJHIR abbox	for abbut
NUTHY amdab	50 000 000 notes

C. P. R.
JUL 12 1930

AGPYW axmef	to be delivered over
ALGEB axtin	a period
AXFYJ doc	of 4
EGKIB ecfex	year(s) stop
ABXYS ajlog	We are further
AKNIG ectut	inform(ed) that a (an)
AXJAW ajhir	order for
GAGGU axfyj	1 200 000 of
EHMIC abrij	Notas de 50 Milreis and
EHMUC acnen	Notas de 200 Milreis has been
AXVAR egdaw	place with
ENPOV egfen	Pietro Miliani, Rome, Italy within
ALSEN ecfex	last month stop
QUBNODONACE	Frederico
QUDAOHL	Diehl
GIJCYG RUA	141 Rua

URUGUAYANA

AKVOX ecbyn	is the source of
AKNOM Axfom	information of the
ACZuJ ensef	British Chamber of Commerce

C.P.R.
JUL 12 1930

ECFEX Alkyl	stop Make
AHCUF AKWUJ	discreet investigation
ABRIJ ebceg	and report
AJGOW ecfex	find(ings) stop
AKNUGACZUJ	Are informed that British
AJHIF AJTAJ	firm(s) have
ABMUS ecpif	already tender

BANKNOTE

(grl)

FORM 101 L

CABLEGRAM

ALL AMERICA CABLES, INC.
67 BROAD STREET • NEW YORK
MAIN OFFICE—ALWAYS OPEN

TO TELEPHONE A CABLEGRAM OR CALL A MESSENGER WHITEHALL 3100

FOR REPETITION SERVICE AND ALL OTHER DEPARTMENTS BOWLING GREEN 3800

BRANCH OFFICES

120 LIBERTY STREET	TEL. CORTLANDT 1143
167 WILLIAM STREET	TEL. BEEKMAN 2788
128 FRANKLIN STREET	TEL. WALKER 2525
43 EAST 27TH STREET	TEL. ASHLAND 3133
500 FIFTH AVE., COR. 42ND ST.	TEL. VANDERBILT 9464

JOHN L. MERRILL, PRESIDENT

ALL AMERICA CABLES

JAMES A. SCRYMSER, FOUNDER

NUMBER

TIME

M M

CHECK

Send the following Cablegram, subject to the terms on back hereof, which are hereby agreed to.

"VIA ALL AMERICA" Date July 10, 1930.

C.P.R.
JUL 12 1930

BANKNOTE
RIO (Brazil)

EWPYBENPAF AZSYJAJHUL AFSIJAKNOM

AJKYSACZUJ ENSEFERLOR EDGIDECPIF

AXGYRABRAJ AHTONALZEG AMDUNAKWIW

EBBAVECVID AZCAFAXHAB ADMYVECFEX

AXJAWACLEX AJHIRABBOX NUTHYAMDAB

ACPYWAXMEF ALGEBAXTIN AXFYJDOC

EGKIBECFEX ABXYSAJLOG AKNIGECTUT

AXJAWAJHIR GAGGUAXFYJ EHMICABRIJ

EHMUCACNEN AXVAREGDAW ENPOVEGFEN

ALSENECFEX QUBNODONACE QUDAOHL

GIJCYGRUA URUGUAYANA AKVOXECBYN

AKNOMAXFOM ACZUJENSEF ECFEXALKYL

AHCUFAKVUJ ABRIJEBCEG AJGOWECFEX

AKNUGACZUJ AJHIFAJTAJ ABMUSECPIF

BANKNOTE

M. Murphy

SENDER'S Name and Address

FULL RATE MESSAGE UNLESS MARKED OTHERWISE

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays the sender of a cable message should order it repeated, that is, cabled back to the originating office for comparison. For this, one-half the regular cable message rate is charged in addition. Unless specifically stated on its face to be 'a repeated message,' this is an unrepeated cable message and paid for as such.

THIS COMPANY WILL NOT ASSUME ANY RESPONSIBILITY CONCERNING ANY MESSAGE BEYOND THE TERMINUS OF ITS OWN LINES.

It is agreed between the sender of the message on the reverse hereof and this Company, that this Company shall not be liable for mistakes or delays in the transmission or delivery, nor for non-delivery, to the next connecting telegraph or cable company, or to the addressee, of any unrepeated message, beyond the amount of that portion of the charges which may or shall accrue to this Company out of the amount received from the sender for this Company, and the other companies, by whose lines such message may pass to reach its destination; and that this Company shall not be liable for mistakes or delays in the transmission or delivery, nor for non-delivery, to the next connecting telegraph or cable company, or to the addressee, of any repeated message, beyond fifty times the extra sum received by this Company from the sender for repeating such message over its own lines, and that this company shall not be liable, in any case for delays arising from interruption in the working of its lines or from congestion of traffic, nor for errors in cipher or obscure messages, or caused by indistinct handwriting or typewriting; and that in any event this Company shall not be held liable for any loss or damage, or for delay or detention, or error caused by storms or the action of the elements, or other acts of God, or by civil or military authority, or by insurrections, riots, rebellions, or dangers incident to the time of war, or by the unlawful acts of individuals. And this Company is hereby made the agent of the sender, without liability, to forward any message over the lines of any other Company when necessary to reach its destination.

No responsibility attaches to this Company concerning messages until the same are presented and accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, or by a messenger of any other company, he acts as the agent of the sender for the purpose of delivering the message and any notice or instructions regarding it to the Company's agent in its said office. Any message sent to the Company's office by private wire or by telephone or by telegraph or through a connecting telegraph, cable, or radio company, is sent at the sender's risk of errors or failures in such service and all of the terms and conditions herein shall apply to the message throughout, and the person receiving such message by private wire or by telephone or by telegraph or through a connecting telegraph, cable, or radio company acts for that purpose as the agent of the sender, and is authorized to assent to these conditions on behalf of the sender.

It is agreed that this Company shall not be liable for damages or statutory penalties in any case where the claim is not presented to it in writing within sixty days after the message is filed with this Company for transmission.

It is agreed that prompt and correct transmission and delivery of this message shall be presumed in any action for recovery of the tolls therefor, subject, however, to rebuttal by competent evidence.

The above terms and conditions shall be binding upon the receiver as well as the sender of this cablegram.

No employee of the Company is authorized to vary the foregoing.

ALL AMERICA CABLES, INCORPORATED,
John L. Merrill, President.

PRINCIPAL OFFICES

NEW YORK CITY—addresses and telephone connections—*See other side*

WASHINGTON, D. C.,
1126 Connecticut Ave., N. W.
MEXICO,
Salina Cruz.
GUATEMALA,
San Jose,
Guatemala City.
SALVADOR,
La Libertad,
San Salvador.
NICARAGUA,
San Juan del Sur.
COSTA RICA,
Port Limon,
San Jose,
Puntarenas.

PANAMA,
Panama,
Balboa,
Colon.
COLOMBIA,
Buenaventura,
Cartagena,
Bogota,
Barranquilla.
CUBA,
Fisherman's Point,
Santiago.
PORTO RICO,
Ponce,
San Juan.
DOMINICAN REPUBLIC,
Santo Domingo.

HAITI,
Port-au-Prince.
ECUADOR,
Esmeraldas,
Santa Elena,
Guayaquil.
PERU,
Paita,
Callao,
Lima,
Trujillo,
Piura.
BOLIVIA,
Corocoro,
La Paz.

CHILE,
Iquique,
Antofagasta,
Valparaiso,
Santiago,
Tacna,
Arica,
Tocopilla.
ARGENTINA,
Buenos Aires,
Mendoza,
Rosario.
URUGUAY,
Montevideo.
BRAZIL,
Rio de Janeiro,
Santos,
Sao Paulo.

Cablegrams marked "VIA ALL AMERICA" are accepted at all Postal Telegraph and Canadian Pacific Railways Telegraph offices.

AMERICAN BANK NOTE COMPANY.

New York
to
Rio de Janeiro

SUBJECT BRAZIL - Treasury Notes. C. P. R.

JUL 12 1930

DATE July 11, 1930.

We confirm our cable of July 10th, reading as follows:-

> July 10th Bradbury, Wilkinson & Co., London, England have received following confidential information from the British Chamber of Commerce Brazil to tender on an entirely new Treasury notes issue to replace the present one in circulation stop Order to be for about 50 000 000 notes to be delivered over a period of 4 years stop. We are further informed that an order for 1 200 000 of Notas de 50 Milreis and Notas de 200 Milreis has been place with Pietro Miliani, Rome, Italy within last month stop Frederico Diehl 141 Rua Uruguayana is the source of information of the British Chamber of Commerce stop. Make discreet investigation and report findings. stop Are informed that British firms have already tender.

I trust that in same we made ourselves sufficiently clear to enable you to investigate the situation.

We were prompted to cable you due to a copy of a letter received from B. W. & Co., sent to them by the British Chamber of Commerce in Brazil, copy of which we enclose, which, no doubt, will enable you to investigate the whole thing in all its details.

In order that you may have the whole thing complete in your files, I give you copies of B. W. & Co's. telegram of July 8th, our answer of the same date, their reply of July 9th and last copy of our cable of July 10th, which was sent after the letter to which it has reference, had been received.

There is no doubt that from the memorandum given to the British Chamber of Commerce, this Mr. Frederico Diehl must have approahhed certain officials and obtained the various prices of the different concerns.

AMERICAN BANK NOTE COMPANY.

New York
to
Rio de Janeiro

SUBJECT BRAZIL - Treasury Notes.

C. P. R.
JUL 12 1930

DATE July 11, 1930.

To me it looks as if this gentleman was looking for the representation of some English houses and is probably stirring up something which cannot surely be accomplished this year, if at all.

However, I should be pleased to receive, at the earliest possible moment, whatever information you may be able to give us.

The only thing that worries me is the order that was given to Pietro Miliani. Surely such an order could not have been placed without your knowledge of it, knowing how close you are to the Treasury Department, although it might be possible, as such things have happened before. It would be interesting to know.

Yours very truly,

Vice President.

JC:grl

5 encls. copy of letter
copies of cables.

DUPLICATE SENT

Bradbury, Wilkinson & Co., Ltd.

London
to
New York

Subject BRAZIL

C. P. R.
JUL 21 1930

Date 11th July, 1930.

We confirm exchange of telegrams, as follows:-

"JULY 8TH BRAZIL REFER TO OUR LETTER OF 30TH JUNE HAVE RECEIVED THIS DAY CABLE BRITISH CHAMBER OF COMMERCE RIO DE JANEIRO ASKING IF WE ARE WILLING TO SUBMIT PROPOSAL STOP AS PRESIDENT ELECT BRAZIL HAS JUST VISITED KING OF ENGLAND AND THERE APPEARS TO BE DESIRE ON THE PART OF BRAZIL TO DO BUSINESS WITH ENGLAND AND FROM LETTER FORWARDED TO YOU APPEARS THAT AT LEAST ONE ENGLISH FIRM IS COMPETING SUGGEST IF IT MEETS WITH YOUR APPROVAL THAT WE TELEGRAPH TO RIO AS FOLLOWS WE THANK YOU FOR ENQUIRY BUT AS WE ARE NOT PREPARED UNDER ANY CIRCUMSTANCES IF WE GET THE CONTRACT TO SUPPLY MACHINERY ASSUME THAT ANY TENDER SUBMITTED BY US NOT LIKELY TO RECEIVE FAVOURABLE CONSIDERATION STOP ON THE OTHER HAND IF THIS WILL NOT BE TO OUR PREJUDICE SHALL BE VERY GLAD TO GIVE PRICES IF YOU WILL FURNISH DEFINITE QUANTITIES EACH DENOMINATION END OF QUOTATION PLEASE ADVISE US AS SOON AS POSSIBLE BY TELEGRAM WHAT DO YOU WISH US TO DO H.L.H."

"JULY 8TH REFER TO YOUR TELEGRAM OF 8TH JULY BRAZIL LETTER REFERRED TO HAS NOT BEEN RECEIVED GIVE US EXACT DATE AND WHEN DID YOU MAIL D.E.W."

"JULY 9TH OUR LETTER MAILED 3RD JULY ILE DE FRANCE DUE NEW YORK TODAY H.L.H."

HLH.

(see JC letter 8/8/32 in regular 595 Bank note part)

Bradbury, Wilkinson & Co., Ltd.

London
to
New York

D.E.W.
JUL 18 1930

J.C.
JUL 18 1930

C.P.R.
JUL 21 1930

Subject BRAZIL

Date 11th July, 1930.

We are in receipt of your telegram of the 10th as follows:-

"JULY 10TH REFER TO YOUR TELEGRAM OF 8TH JULY HAVE RECEIVED YOUR LETTER OF JUNE 30TH EXPECT TO HAVE INFORMATION ANY DAY DO NOTHING D.E.W."

and, in accordance with your wishes, are doing nothing in the matter. I suppose you realise that we received a letter from Brazil nearly two weeks ago, we received a telegram last Monday, and that our silence in the matter savours of discourtesy, to say the least, and places B.W. & Co. in a very unfortunate position, should you decide that you do wish us to take any steps in the matter, and, even if you do not, our apparent discourtesy in not answering communications may have other far-reaching effects, in view of the fact that there is an Association of British Chambers of Commerce, comprised of those bodies throughout the world, who exchange information.

P.S. Since writing the above, it has occurred to me that we must, in some measure, protect our reputation, and I have therefore telegraphed the British Chamber of Commerce, Rio, as follows:-

"REGRET DELAY BUT OBLIGED CONSIDER MATTER IN ALL ITS PHASES WILL TELEGRAPH OUR DECISION SHORTLY"

BRAZIL - Treasury Notes. LONDON

C.P.R. July 11th, 1930.

JUL 12 1930

We acknowledge receipt of your cable of July 8th, which we decoded as follows:-

> July 8th Brazil refer to our letter of June have received this day cable British Chamber of Commerce Rio de Janeiro asking if we are willing to submit proposals stop. As President Elect Brazil has just visited King of England and there appears to be desire on the part of Brazil to do business England and from letter forwarded to you appears that at least one English firm is competing. Suggest if it meets your approval that we telegraph to Rio de Janeiro as follows - We thank you for inquiry but as we are not prepared to under any circumstances if we can get the contract to supply machinery assume that any tender submitted by us not likely to receive favorable consideration stop. On the other hand if this will not be to our prejudice shall be very glad to give prices if you will furnish definite quantity each denomination and quotation Please advise us as soon as possible by telegram what do you wish us to do. H. L. Hendriks .

We confirm ours of the same date -

> July 8th refer to your telegram of 8th July Brazil letter refer to has not been received. Give us exact date and when did you mail.

Yours of July 9th -

> July 9th Brazil our letter mailed July 3rd Ile de France due New York today. H. L. Hendriks.

Ours of July 10th -

> July 10th Brazil refer to your telegram of 8th July have received your letter June 30th expect to have information any day. Do nothing.

BRAZIL - Treasury Notes.

LONDON

C.P.R.
JUL 12 1930

July 11th, 1930.

We acknowledge receipt of your cable of July 8th, which we decoded as follows:-

> July 8th Brazil refer to our letter of June have received this day cable British Chamber of Commerce Rio de Janeiro asking if we are willing to submit proposals stop. As President Elect Brazil has just visited King of England and there appears to be desire on the part of Brazil to do business England and from letter forwarded to you appears that at least one English firm is competing. Suggest if it meets your approval that we telegraph to Rio de Janeiro as follows - We thank you for inquiry but as we are not prepared to under any circumstances if we can get the contract to supply machinery assume that any tender submitted by us not likely to receive favorable consideration stop. On the other hand if this will not be to our prejudice shall be very glad to give prices if you will furnish definite quantity each denomination and quotation Please advise us as soon as possible by telegram what do you wish us to do. H. L. Hendriks .

We confirm ours of the same date -

> July 8th refer to your telegram of 8th July Brazil letter refer to has not been received. Give us exact date and when did you mail.

Yours of July 9th -

> July 9th Brazil our letter mailed July 3rd Ile de France due New York today. H. L. Hendriks.

Ours of July 10th -

> July 10th Brazil refer to your telegram of 8th July have received your letter June 30th expect to have information any day. Do nothing.

BRAZIL - Treasury notes. LONDON

C.P.R.
JUL 12 1930

July 11th, 1930.

As we are expecting information from our Rio office in this regard we are asking you to do nothing in reference to your cable of July 8th until further notice.

We also acknowledge receipt of your favor of June 30th, which was received on the 9th together with copy of the British Chamber of Commerce in Brazil letter of June 14th, which naturally will be treated confidentially as you request.

J. C. /grl
not on original.

DUPLICATE SENT

originally inquired for

1000000 100
500000 200
500000 500

~~Nov - 21/29 received order~~
1000000 100 -
300000 200
100000 500 -

Completed Jany. 23/30 -

originally inquired for
Jany 2/30 -

2000000 — 5
1000 — 10
1000 — 20
500 — 50 ✓
500 — 100
500 — 200 ✓
200 — 500

C. P. R.
JUL 12 1930

in May 1930 - order received for
1.000 — 5
400 — 10
300 — 20
200 — 100
100 — 500

Total 2000 [illegible] -

50 - } 1.200
200 - }

AMERICAN BANK NOTE COMPANY.

Rio de Janeiro
TO
New York

SUBJECT Telegrams.
Treasury Notes

C. P. R.
JUL 31 1930

J. C.
JUL 29 1930

DATE ~~12 - 7~~ - 30. July 12

Ack 6
7/30/30

Received the following

"July 10th. Bradburg Wilkinson Cº. have received following confidential information from the British Chamber of Commerce Brazil to tender on an entirely new Treasury note issue to replace the present one in circulation stop order to be for about 50.000.000 notes to be delivered over a period of 4 years stop we are further informed that an order for 1.200.000 of notes of 50$000 and 200$000 has been placed with Petro Miliani, Rome, Italy, within last month stop. Frederico Diehl 141 Rua Uruguayana is the source of information of the British Chamber of Commerce stop make discreet investigation and report findings stop are informed that British firm have already tendered"

My friends informed me sometime ago that owing to our notes of 200$000 being falsified and our 50$000 note being unpopular on account of Photo of Bernardes, that the President had resolved to let the Italians have an order, Employees in the Caixa confirmed this news, so I had a talk with the Director and he gave me to understand that the whole thing was absurd and as the deliberating council of the Caixa knew nothing of this matter I concluded that the Director was perhaps telling the truth I was with him yesterday after receiving your telegram "Which naturally I did not mention" and he still only gave me evasive answers; but I have no doubt in my mind that your information is correct - As to the changing of the whole currency,

RECEIVED
AMERICAN BANK NOTE COMPANY
70 BROAD ST.
A M
JUL 29 1930

AMERICAN BANK NOTE COMPANY.

SUBJECT

DATE

Rio de Janeiro
TO
New York

you have already been informed by us that the Banco Brazil will take over the whole issue, not in this Govermnent, but in the Govermnent of Julio Prestes; The firm Frederico Diehl is a 3rd. rate concern, was agent for Simmons beds and Safes, they lost the bed agency and are doing very small business in a very small shop.

Yours very truly

B. F. Allen

BFA/JD

JUL 29 1930
FOREIGN DEPT
A.B.N.CO.
P M

RECEIVED
AMERICAN BANK NOTE COMPANY
70 BROAD ST.
JUL 29 1930
A M

ack'd 7/17/30

J. C.
JUL 16 1930

A. B. N. Co.,
N. Y.

New Malden,
July 16, 1930.

C. P. R.
JUL 18 1930

D. E. Woodhull,
New York.

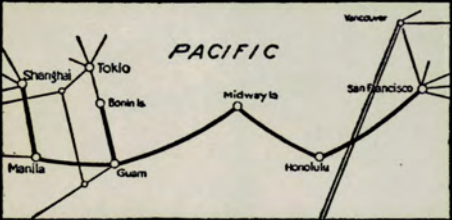
EWRYJ erlor	July 16th Brazil
AJGYC ectyx	feel (ing) that that our
ARXOk ebxus	continue (d) (ing) silence
AZBYN adkuw	prejudicial to our interests if there is any chance
AXJAW afjok	order (to) come (ing) to
ERKOJ stop	England stop
AJSUV akhyj	On the other hand if you will (be)
AXTAZ ecnal	permit us to telegraph
ECHAR ecnef	as suggested (by) our telegram (of)
EWPOX ecwep	July 8th this cannot be (a) (an)
AZBAN accyh	to your prejudice as we can
ABNAZ azjow	always protect
EGLUH azdal	your price(s)
AGTYR epxan	if you desire

H. Leslie Hendricks

(grl)

Commercial Cables

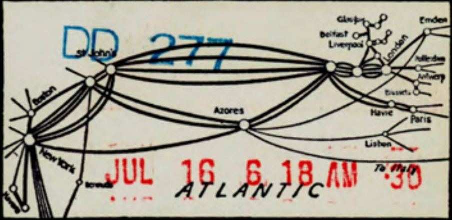
CLARENCE H. MACKAY, PRESIDENT


PACIFIC
Vancouver
Shanghai
Tokio
Bonin Is.
Midway Is.
San Francisco
Manila
Guam
Honolulu

ALL AMERICA CABLES

THE COMMERCIAL CABLE COMPANY · MACKAY SYSTEM ·

POSTAL TELEGRAPH


St. John's
Boston
New York
Azores
Glasgow
Belfast
Liverpool
London
Emden
Antwerp
Brussels
Havre
Paris
Lisbon
ATLANTIC

DD 277

JUL 16 6 18 AM '30

TELEPHONE
HANOVER 1140

"CABLES TO ALL THE WORLD"

ADDRESS
20 BROAD STREET

FORM CCC 3

C. P. R.
JUL 18 1930

J05 X346 NEWMALDEN 16 MR 1201PM

ELLISWOOD NY

Brazil

EWRYJERLOR AJGYCECTYX AFXOKEBXUS AZBYNADKUW AXJAWAFJOK

ERKOJSTOP AJSUVAKHYJ AXTAZECNAL ECHARECNEF EWPOXECWEP

AZBANACCYH ABNAZAZJOW EGLUHAZDAL AGTYREPXAN

C.P.R.
JUL 18 1930

July 16, 1930.

B. W. & Co.

- - - - -

I suggest the following telegram :-

We thank you for your inquiry. We regret to say that the conditions under which we are invited to tender are impossible to fulfill ~~as far as we are concerned~~.

and must therefore decline to bid

Office of the President

Memorandum

C.P.R.
JUL 18 1930

Date

Subject

If you persist in the importance of replying at once telegraph them than that according to your arrangement with us you are to keep off Brazil

not sent

Conf'd 7/17/30

C. P. R.
JUL 18 1930

July 16, 1930.

BRADBANK (B. W. & Co.)
New Malden
Surrey (England)

EWRYJ erlor	July 16th Brazil
espas eggyx	refer to your telegram of 16th would
ECHYP ecvid	suggest the
AJHUL ecmat	follow(ing) telegram
AZLYB ectis	Quotation marks We thank you (for)
EGLUH akpud	your inquiry
AZWYH ebmoc	we regret to say
ECTEZ afruj	that the conditions
EDLIR efwer	under which
ABXYS	we are

INVITED

EDGID ecpif	to tender
ABWUS akjer	are impossible
EDGID ajkow	to fulfill
ABRIJ altus	and must
ECVIZ agmeb	therefore decline

EDGID actad	to bid
AZRYZ epxiz	end of quotation

D. E. Woodhull

(grl)

CHARGE TO THE ACCOUNT OF: $

Commercial Cables

CLARENCE H. MACKAY, PRESIDENT

FULL RATE MESSAGE UNLESS OTHERWISE MARKED

FULL RATE	DEFERRED
URGENT	PREFERRED
NIGHT CABLE LETTER	WEEK-END CABLE LETTER

Sender should mark with an X the class of service desired

ALL AMERICA CABLES

THE COMMERCIAL CABLE COMPANY
MACKAY SYSTEM

POSTAL TELEGRAPH

TELEPHONE
HANOVER 1140

"CABLES TO ALL THE WORLD"

ADDRESS
20 BROAD STREET

FORM CCC 2

Send the following Cablegram, "VIA COMMERCIAL" subject to the terms on back hereof, which are hereby agreed to

C. P. R.
JUL 18 1930

July 16, 1930.

BRADBANK
New Malden - Surrey (England)

EWRYJERLOR ESPASEGGYX ECHYPECVID AJHULECMAT

AZLYBECTIS EGLUHAKPUD AZWYHEBMOC ECTEZAFRUJ

EDLIREFWER ABXYS INVITED EDGIDECPIF

ABWUSAKJER EDGIDAJKOW ABRIJALTUS ECVIZAGMEB

EDGIDACTAD AZKYZEPXIZ

J McGeore

Commercial Cables

ALL AMERICA CABLES POSTAL TELEGRAPH

The International System

MAIN CABLE OFFICE
20 BROAD STREET, NEW YORK

ALWAYS OPEN

TELEPHONE HANOVER 1140

TERMS AND CONDITIONS

THE COMMERCIAL CABLE COMPANY may decline to forward any message, though it has been accepted for transmission, but in case of so doing, shall refund to the sender the amount paid for its transmission.

THIS COMPANY WILL NOT ASSUME ANY RESPONSIBILITY IN RESPECT TO ANY MESSAGE BEYOND THE TERMINUS OF ITS OWN LINES.

To guard against mistakes or delays, the sender of a message should WRITE IT LEGIBLY and order it REPEATED; that is, telegraphed back to the sending station for comparison. For such repeating an additional charge of one-half the regular rate will be made.

It is agreed between the sender of the message on the face hereof, and this Company, that said Company shall not be liable for mistakes or delays in transmission or delivery, or for non-delivery, or mis-delivery of any unrepeated message beyond the amount of that portion of the charge which may or shall accrue to this Company out of the amount received from the sender for this, and the other companies, by whose lines such message may pass to reach its destination; and that this Company shall not be liable for mistakes in the transmission or delivery, or for non-delivery, or mis-delivery of any repeated message beyond fifty times the extra sum received by this Company from the sender for repeating such message over its own lines.

This Company is hereby made the agent of the sender without liability to forward any message by the lines of any other company to reach its destination.

This Company shall not be responsible for messages until they are presented and accepted at one of its transmitting offices; if a message be sent to such office by one of the Company's messengers, the messenger acts for that purpose as the agent of the sender; if by telephone, the person receiving the message acts therein as the agent of the sender, and is authorized to assent to these conditions on behalf of the sender.

This Company shall not be liable in any case where the claim is not presented in writing within sixty days after the filing of the message.

It is agreed that prompt and correct transmission and delivery of this message shall be presumed in any action for recovery of the tolls therefor, subject, however, to rebuttal by competent evidence.

This Company shall not be liable in any case for delays arising from interruptions to the working of its lines, nor for errors in cipher or obscure messages.

In any event this Company shall not be held liable for any loss or damage, or for delay or detention, or errors caused by storms or the action of the elements, or other acts of God, or by civil or military authority, or by insurrections, riots, rebellions, or dangers incident to the time of war, or by the unlawful acts of individuals.

This is an UNREPEATED message and is transmitted and delivered by request of the sender under the conditions named above.

No employee of this Company is authorized to vary the foregoing.

CLARENCE H. MACKAY, PRESIDENT

BRAZIL - Treasury notes.

LONDON

C. P. R.
JUL 18 1930

July 17, 1930.

My dear Leslie:

We confirm receipt of your cable of July 16th and our answer of the same date as follows :-

> July 16th Brazil feel(ing) that our continued silence prejudicial to our interests if there is any chance order to come to England stop. On the other hand if you will permit us to telegraph as suggested by our telegram of July 8th this cannot be to your prejudice as we can always protect your prices if you desire.

> July 16th Brazil refer to your telegram of 16th would suggest the following telegram quotation marks - We thank you for your inquiry. We regret to say that the conditions under which we are invited to tender are impossible to fulfill and must therefore decline to bid. End of quotation.

We are still waiting to hear further from our Rio Office and as you intimate that your continued silence might prejudice your interests in case there should be a chance of the order being placed in England, we have suggested in our cable of today, that we thought would be wise and let you out, a cable - which naturally you can formulate to suit the circumstances.

We are of the opinion that this is the best way out of it as we do not think there is any special hurry, nor can there be, before this present administration terminates its term, to undertake to place such an important contract.

Sincerely yours,

DUPLICATE SENT

JC/IW (not on original)

Bradbury, Wilkinson & Co., Ltd.

London to New York

D.E.W. JUL 26 1930

C.P.R. JUL 28 1930

Subject BRAZIL

Date 17th July, 1930.

We confirm our telegram of yesterday's date, as follows:-

"JULY 16TH BRAZIL FEEL THAT OUR CONTINUED SILENCE PREJUDICIAL TO OUR INTERESTS IF THERE IS ANY CHANCE ORDER COMING TO ENGLAND STOP ON THE OTHER HAND IF YOU WILL PERMIT US TO TELEGRAPH AS SUGGESTED OUR TELEGRAM OF JULY 8TH THIS CANNOT BE TO YOUR PREJUDICE AS WE CAN ALWAYS PROTECT YOUR PRICES IF YOU DESIRE"

and we have to acknowledge receipt of your reply:-

"JULY 16TH BRAZIL REFER TO YOUR TELEGRAM OF 16TH WOULD SUGGEST THE FOLLOWING TELEGRAM "WE THANK YOU FOR YOUR ENQUIRY BUT REGRET TO SAY THAT THE CONDITIONS UNDER WHICH WE ARE INVITED TO TENDER ARE IMPOSSIBLE TO FULFIL AND MUST THEREFORE DECLINE TO BID".

I have telegraphed the British Chamber of Commerce at Rio de Janeiro in accordance with your suggestion, and have written as per carbon copy enclosed.

A.L.S. JUL 26 1930

D.F.W.
JUL 26 1930

17th July, 1930.

W.S. Bogue, Esq.,
Secretary,
British Chamber of Commerce,
Rio de Janeiro.

Dear Sir:-

We duly received your letter of the 14th June, with reference to Brazilian Treasury Notes. We have always refused to consider, in any circumstances, the supplying of our machinery to foreign governments, for the purpose of their printing their own banknotes, and you will therefore understand that a very serious principle was involved, which had to be given very serious consideration. After much deliberation, we have decided that we must maintain our principle, and therefore we have telegraphed you today, as follows:-

> "WE THANK YOU FOR YOUR ENQUIRY BUT REGRET TO SAY THAT THE CONDITIONS UNDER WHICH WE ARE INVITED TO TENDER ARE IMPOSSIBLE TO FULFIL AND MUST THEREFORE DECLINE TO BID"

We thank you very much indeed for putting this enquiry in our way, and we only regret that we are unable to consider the matter, for the reasons given above.

We are, dear Sir,

Yours faithfully,

CHAIRMAN & MANAGING DIRECTOR.

A.L.S.
JUL 26 1930

J. C.
JUL 21 1930

C. P. R.
JUL 23 1930

July 18, 1930.

D. E. Woodhull
New York, N. Y.

Ewsel		July 18th
	Ecnim	Have telegraphed
Erlev		Rio de Janeiro
	Echar	as suggested
Egkip		you
	STOP	STOP
Ecnec		(Have received your telegram of
	Ectig	text
Mondnickel		Mondnickel)
	Alzim	no further news
Epxan		H. Leslie Hendriks

conf'd 7/22/30

Given to Price. 7/18/30

#7

1930 JUL 18 PM 12 06

PATRONS ARE REQUESTED TO FAVOR THE COMPANY BY CRITICISM AND SUGGESTION CONCERNING ITS SERVICE

Form 1281

CLASS OF SERVICE

This is a full-rate Cablegram unless its deferred character is indicated by a suitable sign preceding the address.

PRODUCE EXCHANGE N.Y.
BOWLING GREEN 4782

WESTERN UNION CABLEGRAM

NEWCOMB CARLTON, PRESIDENT

J. C. WILLEVER, FIRST VICE-PRESIDENT

SIGNS	
	Full-Rate Cablegram
LCO	Deferred Cablegram
NLT	Cable Letter
WLT	Week-End Letter

9

C. P. R.
JUL 23 1930

1930 JUL 18 PM 12 01

Received at 40 Broad Street, New York, N. Y.

B 1440 FH

NEWMALDEN 8 18/537P

XKKXSC

ELLSIWOOD

D E WOODHULL
70 BROAD ST

NYK

EWSELECNIM ERLEVECHAR EGKIPSTOP ECNECECTIG NONDNICKEL ALZIMEPXAN

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE

1930 JUL 18 PM 12 03

1930 JUL 18 PM 12 03

BRAZIL - Treasury Notes.

LONDON

July 22, 1930.

23 1930

We confirm that part of your telegram of July 18th referring to the above subject and reading as follows:-

> July 18th have telegraphed Rio de Janeiro
> as suggested you stop.

JC/grl
(not on original)

DUPLICATE SENT

AMERICAN BANK NOTE COMPANY.

New York
to
Rio de Janeiro

SUBJECT BRAZIL - Treasury Notes.

C. P. R.
JUL 25 1930

DATE July 24, 1930.

We confirm our letter of July 11th and beg to state that since, we have received the following communications from B. W. & Co.:-

Their telegram to the British Chamber of Commerce -

> "Regret delay but obliged consider matter in all its phases. Will telegraph our decision shortly".

Their telegram of July 16th to us -

> "July 16th Brazil feel that our continued silence prejudicial to our interests, if there is any chance order coming to England stop On the other hand if you will permit us to telegraph as suggested our telegram July 8th this cannot be to your prejudice as we can always protect your price(s) if you desire."

Our telegram of July 16th to them -

> July 16th Brazil refer to your telegram of 16th would suggest the following telegram Quotation marks We thank you for your inquiry. We regret to say that the conditions under which we are invited to tender are impossible to fulfill and must therefore decline to bid End of quotation.

Their answer of July 18th -

> July 18th have telegraphed Rio de Janeiro as you suggested.

This places in your hands all the correxpondence that has been exchanged between them and ourselves and the British Chamber of Commerce.

I am still waiting to hear from you to learn what information you were able to find. I suppose this long delay in answering my telegram of July 10th is due possibly to your absence from the office on account of the Minas Geraes bonds matter.

Yours very truly,

Vice President.

JC:grl

DUPLICATE SENT

CABLE ADDRESS "BANKNOTE" NEW YORK
QUOTATIONS SUBJECT TO CHANGE

AMERICAN BANK NOTE COMPANY

1710 H STREET, N.W.
WASHINGTON, D.C.

PLATES ENGRAVED ONLY ON CONDITION THAT THEY REMAIN IN THE CUSTODY OF THIS COMPANY.

PRESIDENT
DANIEL E. WOODHULL,
FIRST VICE PRESIDENT
ALBERT L. SCHOMP,
VICE PRESIDENTS
H. VICTOR KEANE, JOSÉ A. MACHADO, J. CLAUDET,
JOSEPH H. BAGLEY, H.F. PAYNE,
W.E. SMITH, P. AITCHISON, H.R. TREADWELL,
TREASURER
CHARLES L. LEE,
SECRETARY-COMPTROLLER
JOHN P. TREADWELL, JR.

C. P. R.
JUL 31 1930

July 25, 1930.

ack ✓
7/26/30

Mr. Albert L. Schomp, First Vice President
American Bank Note Company,
New York, N.Y.

Dear Mr. Schomp:

7/18/30

With the thought that you may find it at least of passing interest, I am enclosing a letter just at hand this morning from Brazil. As you will instantly recognize, it is highly confidential and I am sure that you will see to it, if you use it, that the source of your information remains anonymous. I am also enclosing copies taken from my files of two cables dated February 25th and February 28th and demonstrating the fixed Governmental policy and procedure in cases of this kind.

I am also enclosing a letter which I wrote to Julius Klein the other day, with the thought that you may care to pass it on to Machado as I find that Meekins is away and while his office will probably take care of the matter all right, it might not be a bad idea for Machado to do a little looking around.

Altamo knows this?

Cordially yours,

Joseph H. Bagley

Enc. 4

(3 enc's only to me for filing
CR)

C.P.R.
JUL 31 1930

EMBASSY OF THE

UNITED STATES OF AMERICA

Rio de Janeiro, Brazil.
July 8, 1930.

Office of Commercial Attache

CONFIDENTIAL

The Director,
Bureau of Foreign & Domestic Commerce,
Washington, D.C.

Attention: FINANCE & INVESTMENT DIVISION.
Subject: CENTRAL BANKNOTE COMPANY.

Dear Sir:-

About two months ago, one E. J. Haslop, who manages a credit exchange bureau maintained by an association of the electrical trade in Brazil, called upon me and gave me the information that the Government was about to decide upon a contract for the printing of a considerable quantity of notes. This information had come to Mr. Haslop from a friend of his who is influential in Government circles and whom Haslop has had the opportunity to use on various occasions in connection with matters in which the Government was concerned. The party to whom Haslop referred was Sr. Albano Issler, whose card states that he is the director of the Commercial Association of Rio de Janeiro and a member of the administrative board of the Caixa de Amortizacao. This board consists of five members.

Haslop's object in calling upon me was to assist Issler to come into contact with the representative here of the American Banknote Company, for Issler had it in his power to decide in favor of that company's notes in connection with the order that was then pending. Of the five members of the board to decide on the matter, two were in favor of the Italian proposal, while the other two favored the proposal of the American Banknote Company. Issler had withhheld his vote for the evident purpose of being able to realise something from it.

After hearing Haslop's story I promised him I would look into the matter and do whatever possible to bring Issler's offer of his services before the representative of the American Banknote Company.

I first communicated with the head of the General Electric Company here, and learned that he considered Haslop to be entirely reliable. Once satisfied on that score, I called at the office of the American Banknote Company, and without divulging the name of Mr. Issler, made known to the Banknote Company's representative, a Mr. Allen, that I had received information regarding the pending order for notes, and that I understood that the order was to be given in a few days, and that the only serious competition was between the American Banknote Company and an Italian company. Mr. Allen, who is a Britisher, indicated to me that he was unaware of any pending order and stated that although small occasional orders for replacement of old paper are continually being granted by the Government, there was really no serious competition, as the American Banknote Company had been getting all of this business for several years. I repeated to Mr. Allen the gist of what I had been told by Mr. Haslop, but Allen made light of the matter and spoke in a most deprecating manner of the efforst of his competitors. Furthermore, he stated that if any important order were pending and if any serious competition were in the field, he would be sure to know all about it, inasmuch as he was persona grata at the Treasury, and was so well acquainted there with all of the officials that he would be informad immediately as he visited the office of the head of the Treasury daily.

Despite the fact that I began then to feel that I had been misled by Haslop's information, I told Allen that a man with whom I could put him in touch was capable of killing off the Italian competition, but that if he did not do business with this individual he might very probably lose the business. Allen merely replied by saying that he knew of no new business of any importance that was being considered by the Government. I left his office feeling that I had interfered in something where I could be of no help, and I communicated with Haslop telling him that his information must be incorrect, since Allen claimed that no important orders for notes were being contemplated.

Haslop insisted that Allen must have had some motive for disclaiming any knowledge of this business, for he claimed to know that the American Banknote Company had submitted a bid and was, therefore, aware of the pending business.

Two days later, Haslop, accompanied by Issler, again called at this office and requested that I make a further effort to convince Allen that his ability to secure the pending order depended upon his willingness to work through Mr. Issler. Much against my will, but wanting to be of the utmost assistance to this American company, I again called on Allen but found that he had left town for the week-end. The final decision was to be given on Saturday. I communicated with Haslop, telling him of my inability to get in touch with Allen, and he stated that this was the last chance of the American Banknote Company, and that we could depend upon them losing the order then to be decided.

I heard no more of the matter until about two weeks later, when I met Allen on the street. He told me, in a rather subdued manner, that the matter about which I had spoken to him really had something to it. I asked him how he had fared in the competition, and he said that his company had lost the order. Before that time I really had had very little confidence in the claim that Haslop had made for the ability of Issler to throw the business to one company or the other.

A few days later, Mr. Robert J. Lewis, Vice President of the Central Banknote Company, called here with letters of introduction from the Bureau and from others in the United States. When Lewis made known his desire to secure a connection here which would enable his company to come in for a share of the business in printing notes and bonds for the Brazilian Government, I immediately thought of Haslop and Issler. Accordingly, I called with Mr. Lewis at Haslop's office, and within a short time a plan had been developed whereby Issler is to represent Lewis's company, but all dealings will be done in the name of Mr. Haslop, since it is obviously impossible for Mr. Issler to handle such transactions in his own name. This arrangement, from the standpoint of the Central Banknote Company, is the best that could possible be expected, since Issler apparently pulls a strong oar with the other members of the board and I have no doubt that the Central Banknote Co. will be able to secure a very sizeable amount of business as a result of this connection.

I am sure it is unnecessary to tell you that after it was definitely known to Issler that I had been unable to interest Mr. Allen in his proposition he threw the business to the Italian company. Issler has been very frank with me and has shown me all of the documents in the case, including a letter from the Italian company guaranteeing him thirty contos for his services in connection with that particular order.

The Government how plans to order five million notes annually for the next five years, and this order is to be given to one company. Bids have already been called, and two firms, the Italian company and Thomas de La Rue, have already submitted their bids. I can testify to this for the simple reason that, a couple of days ago, Mr. Lewis came into my office and, opening his brief case, withdrew the original of the proposals of the two companies, together with a large quantity of samples which had been submitted by those companies. Making use of the almost unlimited power that he seems to enjoy in that particular branch of the Government, Issler had secured these documents and given them to Mr. Lewis in order that he might take off copies of them. This is an excellent example of how Government business here is handled, and the only way to avoid suffering by such procedure is to deal through a man such as this, who has the inside track.

By having these documents, as well as the models submitted by his competitors, Mr. Lewis is in an especially good position and is convinced that he will secure this important order, which will amount to several hundred thousand dollars annually for his firm during the next five years.

Another way is which this contact will help the Central Banknote Company, as well as wll other American Banknote companies, is by his influence in discouraging a move to install equipment here for the printing of the country's banknotes. This subject has been studied for some time, and just when Mr. Lewis reached town the final decision was about to be taken on the matter. The papers were in the hands of Mr. Issler and he was beginning work on the matter. Now that he has made this connection with Mr. Lewis, he has promised to recommend against the printing of the banknotes here and has showed us his report recommending against this. The proposal that was being studied was submitted by an Italian company, and all of the business of equipping Brazil to make her own notes would have gone to Italy.

Naturally, Issler's action is dictated primarily by his desire to improve his own financial position. The same is true of practically everyone in the Brazilian Government, whether they be in high office or low. Therefore, it is quite in line with Brazilian business practice and ethics for Mr. Lewis to take the action that he has taken in working with Mr. Issler through Mr. Haslop.

The Director
Bu.For.Dom.Com.

It is probably difficult for the average American business man to appreciate the situation here in this connection, and such methods would be avoided in the United States. However, such procedure as this is not unusual here, and it is fortunate that for once it is likely to result in benefit to an American firm. The latter is entirely protected, since Lewis is dealing, nominally at least, only with Haslop, while Haslop is, of course, only a stool pigeon for Issler. The Central Banknote Company will quote a price direct to Haslop, and Issler will do whatever he sees fit with the quotation, but he will be careful, of course, not to increase prices to such a point as to render the quotation non-competitive.

The fact of our putting Lewis in touch with these gentlemen may be considered as action tending to affect the business of an American firm already established in this market. Our defence is that we went to the representative of that company first, who refused to give us an ear and who was so thoroughly satisfied that no company could effectively compete with him, that he refused our offer of assistance. The proof that the business in bank notes was likely to be lost to American firms exists in the fact that the last order, amounting to 1,200,000 notes, was given to an Italian company. Futhermore, the assitance given by us to the Central Banknote Company was no more than would be given to any other company in any line of business in the United States. We conceive it as our function to do the utmost for every inquiring American firm to enable such firms to acquire new business in this market.

From what I am able to gather now, it is extremely doubtful if the American Banknote Company will be seriously considered for the important five-year order that is to be decided within the next few months. Hence our action in having assisted the Central Banknote Company to secure its present connection may be considered as having gone a considerable distance toward assuring American manufacturers of at least a fair chance to secure the business.

Very truly yours,

/s/ A. Ogden Pierrot,
Acting Commercial Attache.

AOP:KF.

C O P Y

C. P. R.
JUL 31 1930

Lima, Peru.
February 25, 1930.

No.84.

In view of fact American Bank Note Company have government business Peru am confronted with request of Central Bank Note Company for introduction and vigorous assistance stop Request statement Bureau policy amount of assistance and endorsement this office should give representative Central Company urgent

Cunningham

COPY

C. P. R.
JUL 31 1930

February 28, 1930.

To: Cable Section.

From: Matthews.

Please send the following cablegram to Commercial Attache Cunningham at Lima:

"Your eightyfour it is against Bureau policy to intervene or in any way foster competition between American companies particularly where business being sought is covered by an existing contract stop In such cases we must limit our activities to furnishing ordinary commercial information and necessary introductions where requested but interested parties must carry the burden of selling their goods and the ability of their organization to make good on contracts"

John Matthews, Jr.,
Assistant Director.

COPY

July 28, 1930.

C.P.R.
JUL 31 1930

Conf'd
7/30/30

LANE
Grande Hotel
BELLO HORIZONTE (Brazil)

EWTYZ esgyt	July 28th refer to our telegram of 10th
EWNEM abmat	July also
ALFAW ewrac	refer to our letter of July 11th
AMDUN ahfaw	Treasury notes much disturbed
ACLEX egfet	to be without any
ALZEJ ecfex	news stop
AZSYJ ajlog	Have received further
DISQUIETING	
AFSIJ aknom	confidential information
AJKES absix	from another
ECBOM ecfex	source stop
EGLUH ebgiv	Your return at once
EDGID erlex	to Rio de Janeiro
AKVOX alwyn	is absolutely necessary

ECFEX aknes	stop Must have full information
AXGYX epxej	at once

J. CLAUDET.

(grl)

FORM ACM-10

All America Cables

JOHN L. MERRILL, PRESIDENT

C. P. K.
JUL 31 1930

TO TELEPHONE A CABLEGRAM OR CALL A MESSENGER
WHITEHALL 3100

FOR REPETITION SERVICE AND ALL OTHER DEPARTMENTS
BOWLING GREEN 3800

BRANCH OFFICES:
120 LIBERTY STREET - TEL. BARCLAY 2120
167 WILLIAM STREET - TEL. BEEKMAN 2788
128 FRANKLIN STREET - TEL. WALKER 2525
19 EAST 30TH STREET - TEL. BOGARDUS 1120
563 FIFTH AVENUE - TEL. WICKERSHAM 6464

Postal Telegraph

ALL AMERICA CABLES

Commercial Cables

NUMBER

TIME

MM

CHECK

TEL. WHITEHALL 3100

Mackay Radio

67 BROAD STREET NEW YORK

SEND THE FOLLOWING CABLEGRAM, SUBJECT TO THE TERMS ON BACK HEREOF, WHICH ARE HEREBY AGREED TO

July 28, 1930.

LANE
GRANDE HOTEL
BELLO HORIZONTE (Brazil)

EWTYZESGYT EWNEMABMAT ALFAWEWRAC
AMDUNAHFAW ACLEXEGFET ALZEJECFEX
AZSYJAJLOG DISQUIETING AFSIJAKNOM
AJKESABSIX ECBOMECFEX EGLUHEBGIV
EDGIDERLEX AKVOXALWYN ECFEXAKNES
AXGYXEPXEJ

Sender's Name and Address Gene Tlemath

FULL RATE MESSAGE UNLESS MARKED OTHERWISE

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays the sender of a cable message should order it repeated, that is, cabled back to the originating office for comparison. For this, one-half the regular cable message rate is charged in addition. Unless specifically stated on its face to be 'a repeated message,' this is an unrepeated cable message and paid for as such.

THIS COMPANY WILL NOT ASSUME ANY RESPONSIBILITY CONCERNING ANY MESSAGE BEYOND THE TERMINUS OF ITS OWN LINES.

It is agreed between the sender of the message on the reverse hereof and this Company, that this Company shall not be liable for mistakes or delays in the transmission or delivery, nor for non-delivery, to the next connecting telegraph or cable company, or to the addressee, of any unrepeated message, beyond the amount of that portion of the charges which may or shall accrue to this Company out of the amount received from the sender for this Company, and the other companies, by whose lines such message may pass to reach its destination; and that this Company shall not be liable for mistakes or delays in the transmission or delivery, nor for non-delivery, to the next connecting telegraph or cable company, or to the addressee, of any repeated message, beyond fifty times the extra sum received by this Company from the sender for repeating such message over its own lines, and that this company shall not be liable, in any case for delays arising from interruption in the working of its lines or from congestion of traffic, nor for errors in cipher or obscure messages, or caused by indistinct handwriting or typewriting; and that in any event this Company shall not be held liable for any loss or damage, or for delay or detention, or error caused by storms or the action of the elements, or other acts of God, or by civil or military authority, or by insurrections, riots, rebellions, or dangers incident to the time of war, or by the unlawful acts of individuals. And this Company is hereby made the agent of the sender, without liability, to forward any message over the lines of any other Company when necessary to reach its destination.

No responsibility attaches to this Company concerning messages until the same are presented and accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, or by a messenger of any other company, he acts as the agent of the sender for the purpose of delivering the message and any notice or instructions regarding it to the Company's agent in its said office. Any message sent to the Company's office by private wire or by telephone or by telegraph or through a connecting telegraph, cable, or radio company, is sent at the sender's risk of errors or failures in such service and all of the terms and conditions herein shall apply to the message throughout, and the person receiving such message by private wire or by telephone or by telegraph or through a connecting telegraph, cable, or radio company acts for that purpose as the agent of the sender, and is authorized to assent to these conditions on behalf of the sender.

It is agreed that this Company shall not be liable for damages or statutory penalties in any case where the claim is not presented to it in writing within sixty days after the message is filed with this Company for transmission.

It is agreed that prompt and correct transmission and delivery of this message shall be presumed in any action for recovery of the tolls therefor, subject, however, to rebuttal by competent evidence.

The above terms and conditions shall be binding upon the receiver as well as the sender of this cablegram.

No employee of the Company is authorized to vary the foregoing.

ALL AMERICA CABLES, INCORPORATED,
John L. Merrill, President.

PRINCIPAL OFFICES

NEW YORK CITY—addresses and telephone connections—*See other side*

WASHINGTON, D. C.,
    1126 Connecticut Ave., N. W.

MEXICO,
    Salina Cruz.

GUATEMALA,
    San Jose,
    Guatemala City.

SALVADOR,
    San Salvador.

NICARAGUA,
    San Juan del Sur.

COSTA RICA,
    Port Limon,
    San Jose,
    Puntarenas.

PANAMA,
    Panama,
    Balboa,
    Colon.

COLOMBIA,
    Buenaventura,
    Cartagena,
    Bogota,
    Barranquilla,
    Cali.

VENEZUELA,
    Caracas,
    La Guayra,
    Vela de Coro.

CURAÇAO,
    Willemstad.

CUBA,
    Fisherman's Point,
    Santiago,
    Guantanamo,
    Havana.

PORTO RICO,
    Ponce,
    San Juan,
    Mayaguez.

DOMINICAN REPUBLIC,
    Santo Domingo,
    Puerto Plata,
    San Pedro de Macoris,
    Santiago de los Caballeros,
    La Vega.

HAITI,
    Port-au-Prince,
    Cap Haitien.

VIRGIN ISLANDS,
    St. Thomas.

ECUADOR,
    Esmeraldas,
    Santa Elena,
    Guayaquil.

PERU,
    Paita,
    Callao,
    Lima,
    Trujillo,
    Piura,
    Tacna.

BOLIVIA,
    Corocoro,
    La Paz,
    Oruro.

CHILE,
    Iquique,
    Antofagasta,
    Valparaiso,
    Santiago,
    Arica,
    Tocopilla.

ARGENTINA,
    Buenos Aires,
    Mendoza,
    Rosario.

URUGUAY,
    Montevideo.

BRAZIL,
    Rio de Janeiro,
    Santos,
    Sao Paulo.

Cablegrams marked "VIA ALL AMERICA" are accepted at all Postal Telegraph and Canadian Pacific Railways Telegraph offices.

FORM ACM-10

FORM ACM-1

All America Cables

JOHN L. MERRILL, PRESIDENT

TO TELEPHONE A CABLEGRAM
OR CALL A MESSENGER
WHITEHALL 3100

FOR REPETITION SERVICE AND
ALL OTHER DEPARTMENTS
BOWLING GREEN 3800

ALL AMERICA CABLES

BRANCH OFFICES

120 LIBERTY STREET	BARCLAY 2120
167 WILLIAM STREET	BEEKMAN 2788
128 FRANKLIN STREET	WALKER 2525
19 EAST 30TH STREET	BOGARDUS 1120
563 FIFTH AVENUE	WICKERSHAM 6464

67 BROAD STREET, NEW YORK

MAIN OFFICE—ALWAYS OPEN

C. P. R.

JUL 31 1930

1930 JUL 28 P 11 40 05

9

THE FOLLOWING CABLEGRAM WAS RECEIVED **"VIA ALL AMERICA"**

2AL RI ONE BELLOHORISONTE 5 MM VIA NATL LINES AND RIO 9P ZX

BANKNOTE NY

DEL 559 JUL 28 '30

EWTYZESTAJ ALDYFALSIZ AJHIRERLEX

1 ack'd 7/30/30

H. T. McS.
JUL 29 1930

J. C.
JUL 29 1930

July 28th
Refer to your telegram of 28th
am leaving
to-morrow morning
for
Rio de Janeiro

(grl)

10

ALL AMERICA CABLES

Incorporated

NEW YORK CITY—MAIN OFFICE (Always Open) 67 BROAD STREET

BRANCH OFFICES

120 Liberty Street	167 William Street	128 Franklin Street	19 East 30th Street	563 Fifth Avenue (Corner 46th Street)
Telephone Barclay 2120	Telephone Beekman 2788	Telephone Walker 2525	Telephone Bogardus 1120	Telephone Wickersham 6464

OTHER OFFICES

WASHINGTON, D. C.,
1126 Connecticut Ave., N. W.

MEXICO,
Salina Cruz.

GUATEMALA,
San Jose,
Guatemala City.

SALVADOR,
San Salvador.

NICARAGUA,
San Juan del Sur.

COSTA RICA,
Port Limon,
San Jose,
Puntarenas.

PANAMA,
Colon,
Balboa,
Panama.

COLOMBIA,
Cartagena,
Buenaventura,
Bogota,
Barranquilla,
Cali.

VENEZUELA,
Caracas,
La Guayra,
Vela de Coro.

CURACAO,
Willemstad.

CUBA,
Fisherman's Point,
Santiago,
Guantanamo,
Havana.

PORTO RICO,
Ponce,
San Juan,
Mayaguez.

DOMINICAN REPUBLIC,
Santo Domingo,
Puerto Plata,
San Pedro de Macoris,
Santiago de los Caballeros,
La Vega.

HAITI,
Port-au-Prince,
Cap Haitien.

VIRGIN ISLANDS,
St. Thomas.

ECUADOR,
Esmeraldas,
Santa Elena,
Guayaquil.

PERU,
Paita,
Trujillo,
Callao,
Lima,
Piura,
Tacna.

BOLIVIA,
Corocoro,
La Paz.

CHILE,
Arica,
Iquique,
Antofagasta,
Valparaiso,
Santiago,
Tocopilla.

ARGENTINA,
Buenos Aires,
Mendoza,
Rosario.

URUGUAY,
Montevideo.

BRAZIL,
Rio de Janeiro,
Santos,
Sao Paulo.

FORM ACM-1

IN CONNECTION WITH

THE MACKAY SYSTEM

Postal Telegraph—Commercial Cables for all parts of the United States and Europe

—AND—

Canadian Pacific Railway Telegraphs for all Canada.

C.P.R.
JUL 31 1930

July 28, 1930.

Conf'd 7/30/30

BANKNOTE (John Lane)

RIO (Brazil)

EWTYZ esgyt	July 28th refer to our telegram of 10th
EWNEM abmat	July also
ALFAW ewrac	refer to our letter of July 11th
AMDUN ahfaw	Treasury notes much disturbed
ACLEX egfet	to be without any
ALZEJ ecfex	news stop
AZSYJ ajlog	Have received further

DISQUIETING

AFSIJ aknom	confidential information
AJKES absix	from another
ECBOM ecfex	source stop
EGLUH ebgiv	Your return at once
EDGID erlex	to Rio de Janeiro
AKVOX alwyn	is absolutely necessary

ECFEX aknes	**stop Must have full information**
AXGYX ecfex	at once stop
ECNIM eblec	Have telegraphed same
ALPEB edgid	message to
EPXIB bello	John Lane Bello

HORIZONTE

EPXEJ

J. CLAUDET

(grl)

FORM ACM-10

All America Cables

JOHN L. MERRILL, PRESIDENT

TO TELEPHONE A CABLEGRAM OR CALL A MESSENGER
WHITEHALL 3100
FOR REPETITION SERVICE AND ALL OTHER DEPARTMENTS
BOWLING GREEN 3800
BRANCH OFFICES:
120 LIBERTY STREET - TEL. BARCLAY 2120
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563 FIFTH AVENUE - TEL. WICKERSHAM 6464

Postal Telegraph

Commercial Cables

Mackay Radio

TEL. WHITEHALL 3100

67 BROAD STREET NEW YORK

C. P. R.
JUL 31 1930

NUMBER
TIME
MM
CHECK

SEND THE FOLLOWING CABLEGRAM, SUBJECT TO THE TERMS ON BACK HEREOF, WHICH ARE HEREBY AGREED TO

July 28, 1930.

BANKNOTE
RIO (Brazil)

EWTYZESGYT EWNEMABMAT ALFAWEWRAC

AMDUNAHFAW ACLEXEGFET ALZEJECFEX

AZSYJAJLOG DISQUIETING AFSIJAKNOM

AJKESABSIX ECBOMECFEX EGLUHEBGIV

EDGIDERLEX AKVOXALWYN ECFEXAKNES

AXGYXECFEX ECNIMEBLEC ALPEBEDGID

EPXIBBELLO HORIZONTE EPXEJ

Sender's Name and Address Gene Flematti

FULL RATE MESSAGE UNLESS MARKED OTHERWISE

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays the sender of a cable message should order it repeated, that is, cabled back to the originating office for comparison. For this, one-half the regular cable message rate is charged in addition. Unless specifically stated on its face to be 'a repeated message,' this is an unrepeated cable message and paid for as such.

THIS COMPANY WILL NOT ASSUME ANY RESPONSIBILITY CONCERNING ANY MESSAGE BEYOND THE TERMINUS OF ITS OWN LINES.

It is agreed between the sender of the message on the reverse hereof and this Company, that this Company shall not be liable for mistakes or delays in the transmission or delivery, nor for non-delivery, to the next connecting telegraph or cable company, or to the addressee, of any unrepeated message, beyond the amount of that portion of the charges which may or shall accrue to this Company out of the amount received from the sender for this Company, and the other companies, by whose lines such message may pass to reach its destination; and that this Company shall not be liable for mistakes or delays in the transmission or delivery, nor for non-delivery, to the next connecting telegraph or cable company, or to the addressee, of any repeated message, beyond fifty times the extra sum received by this Company from the sender for repeating such message over its own lines, and that this company shall not be liable, in any case for delays arising from interruption in the working of its lines or from congestion of traffic, nor for errors in cipher or obscure messages, or caused by indistinct handwriting or typewriting; and that in any event this Company shall not be held liable for any loss or damage, or for delay or detention, or error caused by storms or the action of the elements, or other acts of God, or by civil or military authority, or by insurrections, riots, rebellions, or dangers incident to the time of war, or by the unlawful acts of individuals. And this Company is hereby made the agent of the sender, without liability, to forward any message over the lines of any other Company when necessary to reach its destination.

No responsibility attaches to this Company concerning messages until the same are presented and accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, or by a messenger of any other company, he acts as the agent of the sender for the purpose of delivering the message and any notice or instructions regarding it to the Company's agent in its said office. Any message sent to the Company's office by private wire or by telephone or by telegraph or through a connecting telegraph, cable, or radio company, is sent at the sender's risk of errors or failures in such service and all of the terms and conditions herein shall apply to the message throughout, and the person receiving such message by private wire or by telephone or by telegraph or through a connecting telegraph, cable, or radio company acts for that purpose as the agent of the sender, and is authorized to assent to these conditions on behalf of the sender.

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No employee of the Company is authorized to vary the foregoing.

ALL AMERICA CABLES, INCORPORATED,
John L. Merrill, President.

PRINCIPAL OFFICES

NEW YORK CITY—addresses and telephone connections—*See other side*

WASHINGTON, D. C.,
  1126 Connecticut Ave., N. W.

MEXICO,
  Salina Cruz.

GUATEMALA,
  San Jose,
  Guatemala City.

SALVADOR,
  San Salvador.

NICARAGUA,
  San Juan del Sur.

COSTA RICA,
  Port Limon,
  San Jose,
  Puntarenas.

PANAMA,
  Panama,
  Balboa,
  Colon.

COLOMBIA,
  Buenaventura,
  Cartagena,
  Bogota,
  Barranquilla,
  Cali.

VENEZUELA,
  Caracas,
  La Guayra,
  Vela de Coro.

CURAÇAO,
  Willemstad.

CUBA,
  Fisherman's Point,
  Santiago,
  Guantanamo,
  Havana.

PORTO RICO,
  Ponce,
  San Juan,
  Mayaguez.

DOMINICAN REPUBLIC,
  Santo Domingo,
  Puerto Plata,
  San Pedro de Macoris,
  Santiago de los Caballeros,
  La Vega.

HAITI,
  Port-au-Prince,
  Cap Haitien.

VIRGIN ISLANDS,
  St. Thomas.

ECUADOR,
  Esmeraldas,
  Santa Elena,
  Guayaquil.

PERU,
  Paita,
  Callao,
  Lima,
  Trujillo,
  Piura,
  Tacna.

BOLIVIA,
  Corocoro,
  La Paz,
  Oruro.

CHILE,
  Iquique,
  Antofagasta,
  Valparaiso,
  Santiago,
  Arica,
  Tocopilla.

ARGENTINA,
  Buenos Aires,
  Mendoza,
  Rosario.

URUGUAY,
  Montevideo.

BRAZIL,
  Rio de Janeiro,
  Santos,
  Sao Paulo.

Cablegrams marked "VIA ALL AMERICA" are accepted at all Postal Telegraph and Canadian Pacific Railways Telegraph offices.

FORM ACM-10

PATRONS ARE REQUESTED TO FAVOR THE COMPANY BY CRITICISM AND SUGGESTION CONCERNING ITS SERVICE Form 1281

CLASS OF SERVICE

This is a full-rate Cablegram unless its deferred character is indicated by a suitable sign preceding the address.

WESTERN UNION CABLEGRAM

NEWCOMB CARLTON, PRESIDENT J. C. WILLEVER, FIRST VICE-PRESIDENT

SIGNS	
	Full-Rate Cablegram
LCO	Deferred Cablegram
NLT	Cable Letter
WLT	Week-End Letter

1930 JUL 28 PM 2 23

P. R.

JUL 31 1930

JUL 28 1930

PRO[illegible]ANGE N.Y.
BOWLING GREEN 4782

ap 4

Received at 40 Broad Street, New York, N. Y.

ack'd 7/30/30

MA XNL31 JB

RIODEJANEIRO 3 28 413P WU

BANKNOTE AMERICAN BANK NOTE CO
NYK 70-72 BROAD ST.

ERSYPEWNEM

Refer to our letter of 12th July .

217P

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE

RECEIVED
AMERICAN BANK NOTE COMPANY
70 BROAD ST.
P M
JUL 28 1930

FOREIGN DEPT.
A.B.N.CO.
A M
JUL 28 1930

1930 JUL 28 PM 2 18

A.X. JUL 28 PM 2 23

Conf'd 7/30/30

July 29, 1930.

C. P. R.
JUL 31 1930

BANKNOTE (John Lane)

RIO (Brazil)

EWWAB axlet	July 29th our
AJLOG afsij	further confidential
AKNOM azvem	information refer to
ABRAJ aktap	an interview
AKJAM aktub	of immense importance to our interest
ECTUS abfun	that Act (ing)
AFJOV ensec	commercial Attaché
QUECDOR	Ogden
QUPAONNET	Pierrot
AJSAB egfeb	had with our
MR QUILLOR	Mr. Allen
AHLUG akkel	early in
EVPOG afpej	May concern(ing)
ABRAJ axjaw	an order
AJHIR amdun	for Treasury notes
ECFEX ebfax	stop Result(s)
ahbaf abroj	disastrous and a (an)

AXJAW ajhir	order for
EHMICabrij	notas de 50 milreis and
EHMUC ajmex	notas de 200 milreis was given
EDGID ENPOV	to Pietro Miliani, Rome, Italy
ABNEN egfen	although within
AXLET axzij	our power
ECMYG akxub	to take it
ACFOG	at
NOMINAL	
AFVUNecfex	consideration stop
ECHOS acbyg	Suggest that you as
SOLE ebcov	sole representative
AXFYJ enpab	of American Bank Note Company, New York
ADDYT abrij	call and
aldec ajkes	learn from
AJXOX ebfax	him result
AXFYJ AKtap	of interview
EGDAW	with
QUILLOR	Allen
ALPAK abfih	You might acquaint
abfun afjov	act(ing) commercial

ENSEC axfyj	Attaché of
ACZUJ ensef	British Chamber of Commerce
EBCEG acbah	report as a (an)
EBGIH ahzag	additional excuse
edgid ecmij	to talk
ecwef axmef	thing over
ECFEX alnyg	stop By all means
ALVYD edjuv	you must try
ABRIJ undo	and undo
EFTOJ acnen	whatever has been
ABDAN abrij	accomplish(ed) and
ADDEK ebfax	cable result(s)
ECFEX eghux	stop Are writing fully
ECFOF exbuf	per steamer August 1st

EASTERN PRINCE

EPXEJ

J. CLAUDET

JC (grl)

FORM 101 L

CABLEGRAM

ALL AMERICA CABLES, INC.
67 BROAD STREET • NEW YORK
MAIN OFFICE—ALWAYS OPEN

TO TELEPHONE A CABLEGRAM OR CALL A MESSENGER
WHITEHALL 3100

FOR REPETITION SERVICE AND ALL OTHER DEPARTMENTS
BOWLING GREEN 3800

BRANCH OFFICES

120 LIBERTY STREET	TEL. CORTLANDT 1143
167 WILLIAM STREET	TEL. BEEKMAN 2788
128 FRANKLIN STREET	TEL. WALKER 2525
43 EAST 27TH STREET	TEL. ASHLAND 3133
500 FIFTH AVE., COR. 42ND ST.	TEL. VANDERBILT 9464

JOHN L. MERRILL, PRESIDENT
JAMES A. SCRYMSER, FOUNDER

C. P. R.
JUL 31 1930

NUMBER
TIME
M M
CHECK

Send the following Cablegram, subject to the terms on back hereof, which are hereby agreed to.

"VIA ALL AMERICA" Date July 29, 1930.

BANKNOTE
RIO (Brazil)

EWWABAXLET AJLOGAFSIJ AKNOMAZVEM
ABRAJAKTAP AKJAMAKTUB ECTUSABFUN
AFJOVENSEC QUEGDOR QUPAONNET
AJSABEGFEB MRQUILLOR AHLUGAKKEL
EVPOGAFPEJ ABRAJAXJAW AJHIRAMDUN
ECFEXEBFAX AHBAFABROJ AXJAWAJHIR
AHMICABRIJ EHMUCAJMEX EDGIDENPOV
ABNENEGFEN AXLETAXZIJ ECMYGAKXUB
ACFOG NOMINAL AFVUNECFEX
ECHOSACBYG SOLEEBCOV AXFYJENPAB
ADDYTABRIJ ALDECAJKES AJXOXEBFAX
AXFYJAKTAP EGDAW QUILLOR
ALPAKABFIH ABFUNAFJOV ENSECAXFYJ
ACZUJENSEF EBCEGACBAH ABGIHAHZAG
E DGIDECMIJ ECWEFAXMEF ECFEXALNYG
ALVYDEDJUV ABRIJUNDO EFTOJACNEN
ABDANABRIJ ADDEKEBFAX ECFEXEGHUX
ECFOFEXBUF EASTERN PRINCE
EPXEJ

SENDER'S Name and Address Herman Spaeth

FULL RATE MESSAGE UNLESS MARKED OTHERWISE

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays the sender of a cable message should order it repeated, that is, cabled back to the originating office for comparison. For this, one-half the regular cable message rate is charged in addition. Unless specifically stated on its face to be 'a repeated message,' this is an unrepeated cable message and paid for as such.

THIS COMPANY WILL NOT ASSUME ANY RESPONSIBILITY CONCERNING ANY MESSAGE BEYOND THE TERMINUS OF ITS OWN LINES.

It is agreed between the sender of the message on the reverse hereof and this Company, that this Company shall not be liable for mistakes or delays in the transmission or delivery, nor for non-delivery, to the next connecting telegraph or cable company, or to the addressee, of any unrepeated message, beyond the amount of that portion of the charges which may or shall accrue to this Company out of the amount received from the sender for this Company, and the other companies, by whose lines such message may pass to reach its destination; and that this Company shall not be liable for mistakes or delays in the transmission or delivery, nor for non-delivery, to the next connecting telegraph or cable company, or to the addressee, of any repeated message, beyond fifty times the extra sum received by this Company from the sender for repeating such message over its own lines, and that this company shall not be liable, in any case for delays arising from interruption in the working of its lines or from congestion of traffic, nor for errors in cipher or obscure messages, or caused by indistinct handwriting or typewriting; and that in any event this Company shall not be held liable for any loss or damage, or for delay or detention, or error caused by storms or the action of the elements, or other acts of God, or by civil or military authority, or by insurrections, riots, rebellions, or dangers incident to the time of war, or by the unlawful acts of individuals. And this Company is hereby made the agent of the sender, without liability, to forward any message over the lines of any other Company when necessary to reach its destination.

No responsibility attaches to this Company concerning messages until the same are presented and accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, or by a messenger of any other company, he acts as the agent of the sender for the purpose of delivering the message and any notice or instructions regarding it to the Company's agent in its said office. Any message sent to the Company's office by private wire or by telephone or by telegraph or through a connecting telegraph, cable, or radio company, is sent at the sender's risk of errors or failures in such service and all of the terms and conditions herein shall apply to the message throughout, and the person receiving such message by private wire or by telephone or by telegraph or through a connecting telegraph, cable, or radio company acts for that purpose as the agent of the sender, and is authorized to assent to these conditions on behalf of the sender.

It is agreed that this Company shall not be liable for damages or statutory penalties in any case where the claim is not presented to it in writing within sixty days after the message is filed with this Company for transmission.

It is agreed that prompt and correct transmission and delivery of this message shall be presumed in any action for recovery of the tolls therefor, subject, however, to rebuttal by competent evidence.

The above terms and conditions shall be binding upon the receiver as well as the sender of this cablegram.

No employee of the Company is authorized to vary the foregoing.

ALL AMERICA CABLES, INCORPORATED,
John L. Merrill, President.

PRINCIPAL OFFICES

NEW YORK CITY—addresses and telephone connections—*See other side*

WASHINGTON, D. C.,
    1126 Connecticut Ave., N. W.
MEXICO,
    Salina Cruz.
GUATEMALA,
    San Jose,
    Guatemala City.
SALVADOR,
    La Libertad,
    San Salvador.
NICARAGUA,
    San Juan del Sur.
COSTA RICA,
    Port Limon,
    San Jose,
    Puntarenas.

PANAMA,
    Panama,
    Balboa,
    Colon.
COLOMBIA,
    Buenaventura,
    Cartagena,
    Bogota,
    Barranquilla.
CUBA,
    Fisherman's Point,
    Santiago.
PORTO RICO,
    Ponce,
    San Juan.
DOMINICAN REPUBLIC,
    Santo Domingo.

HAITI,
    Port-au-Prince.
ECUADOR,
    Esmeraldas,
    Santa Elena,
    Guayaquil.
PERU,
    Paita,
    Callao,
    Lima,
    Trujillo,
    Piura.
BOLIVIA,
    Corocoro,
    La Paz.

CHILE,
    Iquique,
    Antofagasta,
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ARGENTINA,
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    Montevideo.
BRAZIL,
    Rio de Janeiro,
    Santos,
    Sao Paulo.

Cablegrams marked "VIA ALL AMERICA" are accepted at all Postal Telegraph and Canadian Pacific Railways Telegraph offices.

C. P. R.
JUL 31 1930

July 30, 1930.

Private and Confidential.

Mr. John Lane,
Caixa Postal, 863,
Rio de Janeiro, Brazil.

BRAZIL - Treasury Notes.

My dear Mr. Lane:-

On July 28th we received a confidential report, from another source, differing entirely from the one sent you with our letter of July 11th and immediately upon its receipt we sent you a telegram addressed to Bello Horizonte and sent another one to the Rio Office, both as per copies herewith, in order to make sure to reach you as we were asking you to return to Rio at once to investigate.

On July 28th we received an answer from Rio, which I presume was sent by Mr. Allen and a few hours later we received yours from Bello Horizonte. At the same time the letter of July 12th, announced by Mr. Allen, reached us and upon its receipt we sent you our telegram of the 29th, confirmation of which is enclosed herewith.

I trust that this latter telegram was sufficiently clear to you to show the importance that we attach to the confidential report that we received and which necessitated your presence there at once.

We shall expect news from you as soon as you can learn what has been done in respect to this important affair.

Yours very truly,

JC:grl

C.P.R.
JUL 31 1930

Confirmation of cable
sent to Mr. John Lane
Bello Horizonte.

July 28th refer to our telegram of 10th July also refer to our letter of July 11th Treasury notes much disturbed to be without any news stop Have received further disquieting confidential information from another source stop Your return at once to Rio de Janeiro is absolutely necessary stop Must have full information at once.

C. P. R.
JUL 31 1930

Confirmation of -

Cable sent to Rio Office

July 28th refer to our telegram of 10th July also refer to our letter of July 11th Treasury notes much disturbed to be without any news stop Have received further disquieting confidential information from another source stop Your return at once to Rio de Janeiro is absolutely necessary stop Must have full information at once stop. Have telegraphed same message to John Lane Bello Horizonte.

C. P. R.
JUL 31 1930

Rio Office's Cable

rec'd. July 28th.

Refer to our letter of 12th July.

Confirmation of

Mr. Lane's cable

C. P. R.
JUL 31 1930

July 28th refer to your telegram of 28th am leaving tomorrow morning for Rio de Janeiro.

C. P. R.
JUL 31 1930

Confirmation of cable
sent to Mr. John Lane.

July 29th our further confidential information refer to an interview of immense importance to our interest that Acting Commercial Attaché Ogden Pierrot had with our Mr. Allen early in May concerning an order for Treasury notes stop Results disastrous and an order for notas de 50 Milreis and notas de 200 milreis was given to Pietro Miliani, Rome, Italy although within our power to take it at nominal consideration stop. Suggest that you, as sole representative of American Bank Note Company, New York call and learn from him result of interview with Allen You might acquaint Acting Commercial Attaché of British Chamber of Commerce report as an additional excuse to talk thing over stop By all means you must try and undo whatever has been accomplished and cable results stop Are writing fully per steamer August 1st Eastern Prince.

C.P.R.
JUL 31 1930

July 30, 1930.

Private and Confidential.

Mr. John Lane,
Caixa Postal, 863,
Rio de Janeiro, Brazil.

My dear Mr. Lane:-

Re: BRAZIL - Treasury Notes.

I enclose you herewith copy of the confidential report received by this office on July 28th. I will make this a separate letter as it is my desire that same should be kept entirely to yourself and confidential, so for this reason I have eliminated the names mentioned in the said report, which I shall give you on a separate memorandum, in the respective order as they should read in the report.

As you will note from the said report this has happened in the early part of May and it is evident, from what I can judge in reading same, that you have never been acquainted with the interview of Mr. Allen and this party, no more than you have been informed, probably, of the communication which we sent him with our letter of July 11th, concerning the British Chamber of Commerce.

This last report differs somewhat from the British Chamber of Commerce report, the parties being different in each case. You will judge from same that the situation created is a very serious one and very detrimental as far as the American Bank Note Company is concerned and I cannot understand why Mr. Allen should have taken such an attitude in interviewing our informant. In the first place, you are the sole representative of the Company and the only one that could have acted in this case.

As you may note from said report a new competitor seems to have entered in the field and some arrangements have already been made for the Central Bank Note Company to be represented hereafter. Whether the present administration is considering the placing of a contract or not, I do not know, but it is for you to find out. However, from our point of view it would seem strange that just a few months before a new administration is to take place, that the present one should undertake to enter into a contract, as stated.

If, however, certain arrangements have already been made with the party in question, I would try and approaah him in the most diplomatic manner and if he really is, or is to be as influential as mentioned in the report, see whether you can undo whatever has already been accomplished. By all means you must see him yourself personally, without any witness present and express your regrets to learn that such a thing should have been done during your absence, as the person was not in actual authrority to do anything without your being present.

I must ask you, after you have taken careful reading of this report, to destroy same together with the list of names which I am enclosing herewith on a separate sheet of paper, and a few lines from you to that effect will be sufficient to let me know that you have done so.

As far as the Company is concerned, we are greatly disturbed over this situation, which has been created by Mr. Allen. You possibly may learn more from him after you have talked with him, if you judge it is necessary to do so.

Early news in this regard will be greatly appreciated and will relieve our minds as to what the real situation is, although I feel personally that the harm has been done and all I can expect is for you to undo everything , if possible. I feel very certain that with your diplomatic handling of this situation you will succeed.

Sincerely yours,

JC:grl

C. P. R.
JUL 31 1930

List of Names.

1. E. J. Haslop
2. "
3. "
4. "
5. Sr. Albano Issler
6. Commercial Association of Rio de Janeiro
7. Haslop
8. Issler
9. "
10. "
11. Haslop
12. Issler
13. General Electric Company
14. Haslop
15. Issler
16. Haslop
17. Haslop
18. "
19. "
20. "
21. Issler
22. "
23. Haslop
24. "
25. Issler
26. Robert J. Lewis
27. The Central Banknote Company
28. Lewis
29. Haslop
30. Issler
31. Lewis
32. Haslop
33. Issler's company
34. Lewis's company
35. Haslop
36. Issler
37. The Central Banknote Company
38. Issler
39. Central Bank Note Company
40. Issler
41. "
42. Thomas de La Rue
43. Mr. Lewis
44. Issler
45. Lewis
46. Lewis
47. The Central Banknote Co.
48. Mr. Lewis
49. Issler
50. Mr. Lewis
51. Issler
52. Mr. Lewis
53. Issler
54. Haslop
55. Lewis
56. Haslop
57. "
58. Issler
59. The Central Banknote Co.
60. Haslop
61. Issler
62. Lewis
63. The Central Banknote Co.
64. ditto
65. A. Ogden Pierrot
    Acting Commercial Attaché

Copy of Report

C. P. R.
JUL 31 1930

About two months ago, one 1 who manages a credit exchange bureau maintained by an association of the electrical trade in Brazil, called upon me and gave me the information that the Government was about to decide upon a contract for the printing of a considerable quantity of notes. This information had come to 2 from a friend of his who is influential in Government circles and whom 3 has had the opportunity to use on various occasions in connection with matters in which the Government was concerned. The party to whom 4 referred was 5 whose card states that he is the director of the 6 and a member of the administrative board of the Caixa de Amortizacao. This board consists of five members.

7 object in calling upon me was to assist 8 to come into contact with the representative here of the American Banknote Company, for 9 had it in his power to decide in favor of that company's notes in connection with the order that was then pending. Of the five members of the board to decide on the matter, two were in favor of the Italian proposal, while the other two favored the proposal of the American Bank note Company. 10 had withheld his vote for the evident purpose of being able to realize something from it. After hearing 11 story I promised him I would look into the matter and do whatever possible to bring 12 offer of his services before the representative of the American Banknote Company.

I first communicated with the head of the 13 here, and learned that he considered 14 to be entirely reliable. Once satisfied on that score, I called at the office of the American Banknote Company, and without divulging the name of 15 made known to the Banknote Company's representative, a Mr. Allen, that I had received information regarding the pending order for notes, and that I understood that the order was to be given in a few days, and that the only serious competition was between the American Banknote Company and an Italian company. Mr. Allen, who is a Britisher, indicated to me that he was unaware of any pending order and stated that although small occasional orders for replacement of old paper are continually being granted by the Government, there was really no serious competition, as the American Banknote Company had been getting all of this business for several years. I repeated to Mr. Allen the gist of what I had been told by 16 but Allen made light of the matter and spoke in a most deprecating manner of the efforts of his competitors. Furthermore, he stated that if any important order were pending and if any serious competition were in the field, he would be sure to know all about it, in as much as he was persona grata at the Treasury, and was so well acquainted there with all of the officials that he would be informed immediately as he visited the office of the head of the Treasury daily.

Despite the fact that I began then to feel that I had been misled by 17 information, I told Allen that a man with whom I could put him in touch was capable of killing off the Italian competition, but that if he did not do business with this individual he might very probably lose the business. Allen merely replied by saying that he knew of no new business of any importance that was being considered by the Government. I left his office feeling that I had interfered in something where I could be of no help, and I communicated with 18 telling him that his information must be incorrect, since Allen claimed that no important orders for notes were being contemplated.

19 insisted that Allen must have had some motive for disclaiming any knowledge of this business, for he claimed to know that the American Banknote Company had submitted a bid and was, therefore, aware of the pending business.

Two days later, 20 accompanied by 21 again called at this office and requested that I make a further effort to convince Allen that his ability to secure the pending order depended upon his willingness to work through 22 . Much against my will, but wanting to be of the utmost assistance to the American company, I again called on Allen but found that he had left town for the week-end. The final decision was to be given on Saturday. I communicated with 23 telling him of my inability to get in touch with Allen, and he stated that this was the last chance of the American Banknote Company, and that we could depend upon them losing the order then to be decided.

I heard no more of the matter until about two weeks later, when I met Allen on the street. He told me, in a rather subdued manner, that the matter about which I had spoken to him really had something to it. I asked him how he had fared in the competition, and he said that his company had lost the order. Before that time I really had had very little confidence in the claim that 24 had made for the ability of 25 to throw the business to one company or the other.

A few days later, 26 , Vice President of 27 , called here with letters of introduction from the Bureau and from others in the United States. When 28 made known his desire to secure a connection here which would enable his company to come in for a share of the business in printing notes and bonds for the Brazilian Government, I immediately thought of 29 and 30. Accordingly, I called with 31 at 32's office, and within a short time a plan had been developed whereby 33 is to represent 34's company, but all dealings will be done in the name of 35, since it is obviously impossible for 36 to handle such transactions in his own name. This arrangement, from the standpoint of the 37, is the best that could possibly be expected, since 38 apparently pulls a strong car with the other members of the board and I have no doubt that 39 will be able to secure a very sizeable amount of business as a result of this connection.

I am sure it is unnecessary to tell you that after it was definitely known to 40 that I had been unable to interest Mr. Allen in his proposition he threw the business to the Italian company. 41 has been very frank with me and has shown me all of the documents in the case, including a letter from the Italian company guaranteeing him thirty contos for his services in connection with that particular order.

The Government now plans to order five million notes annually for the next five years, and this order is to be given to one company. Bids have already been called, and two firms, the Italian company and 42 have already submitted their bids. I can testify to this for the simple reason that, a couple of days ago, 43 came into my office and, opening his brief case, withdrew the original of the proposals of the two companies, together with a large quantity of samples which had been submitted by those companies. Making use of the almost unlimited power that he seems to enjoy in that particular branch of the Government, 44 had secured these documents and given them to 45 in order that he might take off copies of them. This is an excellent example of how Government business here is handled, and the only way to avoid suffering by such procedure is to deal through a man such as this, who has the inside track.

By having these documents, as well as the models submitted by his competitors, 46 is in an especially good position and is convinced that he will secure this important order, which will amount to several hundred thousand dollars annually for his firm during the next five years.

Another way in which this contact will help the 47, as well as all other American Banknote companies, is by his influence in discouraging a move to install equipment here for the printing of the country's banknotes. This subject has been studied for some time, and just when 48 reached town the final decision was about to be taken on the matter. The papers were in the hands of 49 and he was beginning work on the matter. Now that he has made this connection with 50 , he has promised to recommend against the printing of the banknotes here and has showed us his report recommending against this. The proposal that was being studied was submitted by an Italian company, and all of the business of equipping Brazil to make her own notes would have gone to Italy.

Naturally, 51's action is dictated primarily by his desire to improve his own financial position. The same is true of practically every one in the Brazilian Government, whether they be in high office or low. Therefore, it is quite in line with Brazilian business practice and ethics for 52 to take the action that he has taken in working with 53 , through 54.

It is probably difficult for the average American business man to appreciate the situation here in this connection, and such methods would be avoided in the United States. However, such procedure as this is not unusual here, and it is fortunate that for once it is likely to result in benefit to an American firm. The latter is entirely protected, since 55 is dealing, nominally at least, only with 56, while 57 is, of course, only a stool pigeon for 58. 59 will quote a price direct to 60, and 61 will do whatever he sees fit with the quotation, but he will be careful, of course, not to increase prices to such a point as to render the quotation non - competitive.

The fact of our putting 62 in touch with these gentlemen may be considered as action tending to affect the business of an American firm already established in this market. Our defence is that we went to the representative of that company first, who refused to give us an ear and who was so thoroughly satisfied that no company could effectively compete with him, that he refused our offer of assistance. The proof that the business in bank notes was likely to be lost to American firms exists in the fact that the last order, amounting to 1,200,000 notes, was given to an Italian Company. Furthermore, the assistance given by us to 63 was no more than would be given to any other company in any line of business in the United States. We conceive it as our function to do the utmost for every inquiring American firm to enable such firms to acquire new business in this market.

From what I am able to gather now, it is extremely doubtful if the American Banknote Company will be seriously considered for the important five-year order that is to be decided within the next few months. Hence our action in having assisted the 64 to secure its present connection may be considered as having gone a considerable distance toward assuring American manufacturers of at least a fair chance to secure the business.

Very truly yours,

65

KGR

Copy (extra)

EMBASSY OF THE
UNITED STATES OF AMERICA

Rio de Janeiro, Brazil.
July 8, 1930.

Office of Commercial Attache

CONFIDENTIAL

The Director,
Bureau of Foreign & Domestic Commerce,
Washington, D. C.

Attention: FINANCE & INVESTMENT DIVISION.
Subject: CENTRAL BANKNOTE COMPANY.

Dear Sir:-

About two months ago, one E. J. Haslop, who manages a credit exchange bureau maintained by an association of the electrical trade in Brazil, called upon me and gave me the information that the Government was about to decide upon a contract for the printing of a considerable quantity of notes. This information had come to Mr. Haslop from a friend of his who is influential in Government circles and whom Haslop has had the opportunity to use on various occasions in connection with matters in which the Government was concerned. The party to whom Haslop referred was Sr. Albano Issler, whose card states that he is the director of the Commercial Association of Rio de Janeiro and a member of the administrative board of the Caixa de Amortizacao. This board consists of five members.

Haslop's object in calling upon me was to assist Issler to come into contact with the representative here of the American Banknote Company, for Issler had it in his power to decide in favor of that company's notes in connection with the order that was then pending. Of the five members of the board to decide on the matter, two were in favor of the Italian proposal, while the other two favored the proposal of the American Banknote Company. Issler had withheld his vote for the evident purpose of being able to realize something from it.

After hearing Haslop's story I promised him I would look into the matter and do whatever possible to bring Issler's offer of his services before the representative of the American Banknote Company.

I first communicated with the head of the General Electric Company here, and learned that he considered Haslop to be entirely reliable. Once satisfied on that score, I called at the office of the American Banknote Company, and without divulging the name of Mr. Issler, made known to the Banknote Company's representative, a Mr. Allen, that I had received information regarding the pending order for notes, and that I understood that the order was to be given in a few days, and that the only serious competition was between the American Banknote Company and an Italian company.

Mr. Allen, who is a Britisher, indicated to me that he was unaware of any pending order and stated that although small occasional orders for replacement of old paper are continually being granted by the Government, there was really no serious competition, as the American Banknote Company had been getting all of this business for several years. I repeated to Mr. Allen the gist of what I had been told by Mr. Haslop, but Allen made light of the matter and spoke in a most deprecating manner of the efforts of his competitors. Furthermore, he stated that if any important order were pending and if any serious competition were in the field, he would be sure to know all about it, inasmuch as he was persona grata at the Treasury, and was so well acquainted there with all of the officials that he would be informed immediately as he visited the office of the head of the Treasury daily.

Despite the fact that I began then to feel that I had been misled by Haslop's information, I told Allen that a man with whom I could put him in touch was capable of killing off the Italian competition, but that if he did not do business with this individual he might very probably lose the business. Allen merely replied by saying that he knew of no new business of any importance that was being considered by the Government. I left his office feeling that I had interfered in something where I could be of no help, and I communicated with Haslop telling him that his information must be incorrect, since Allen claimed that no important orders for notes were being contemplated.

Haslop insisted that Allen must have had some motive for disclaiming any knowledge of this business, for he claimed to know that the American Banknote Company had submitted a bid and was, therefore, aware of the pending business.

Two days later, Haslop, accompanied by Issler, again called at this office and requested that I make a further effort to convince Allen that his ability to secure the pending order depended upon his willingness to work through Mr. Issler. Much against my will, but wanting to be of the utmost assistance to the American company, I again called on Allen but found that he had left town for the week-end. The final decision was to be given on Saturday. I communicated with Haslop, telling him of my inability to get in touch with Allen, and he stated that this was the last chance of the American Banknote Company, and that we could depend upon them losing the order then to be decided.

I heard no more of the matter until about two weeks later, when I met Allen on the street. He told me, in a rather subdued manner, that the matter about which I had spoken to him really had something to it. I asked him how he had fared in the competition, and he said that his company had lost the order. Before that time I really had had very little confidence in the claim that Haslop had made for the ability of Issler to throw the business to one company or the other.

A few days later, Mr. Robert J. Lewis, Vice President of the Central Banknote Company, called here with letters of introduction from the Bureau and from others in the United States. When Lewis made known his desire to secure a connection here which would enable his company to come in for a share of the business in printing notes and bonds for the Brazilian Government, I immediately thought of Haslop and Issler. Accordingly, I called with Mr. Lewis at Haslop's office, and within a short time a plan had been developed whereby Issler is to represent Lewis's company, but all dealings will be done in the name of Mr. Haslop, since it is obviously impossible for Mr. Issler to handle such transactions in his own name. This arrangement, from the standpoint of the Central Banknote Company, is the best that could possibly be expected, since Issler apparently pulls a strong car with the other members of the board and I have no doubt that the Central Banknote Co. will be able to secure a very sizeable amount of business as a result of this connection.

I am sure it is unnecessary to tell you that after it was definitely known to Issler that I had been unable to interest Mr. Allen in his proposition he threw the business to the Italian company. Issler has been very frank with me and has shown me all of the documents in the case, in cluding a letter from the Italian company guaranteeing him thirty contos for his services in connection with that particular order.

The Government now plans to order five million notes annually for the next five years, and this order is to be given to one company. Bids have already been called, and two firms, the Italian company and Thomas de La Rue, have already submitted their bids. I can testify to this for the simple reason that, a couple of days ago, Mr. Lewis came into my office and, opening his brief case, withdrew the original of the proposals of the two companies, together with a large quantity of samples which had been submitted by those companies. Making use of the almost unlimited power that he seems to enjoy in that particular branch of the Government, Issler had secured these documents and given them to Mr. Lewis in order that he might take off copies of them. This is an excellent example of how Government business here is handled, and the only way to avoid suffering by such procedure is to deal through a man such as this, who has the inside track.

By having these documents, as well as the models submitted by his competitors, Mr. Lewis is in an especially good position and is convinced that he will secure this important order, which will amount to several hundred thousand dollars annually for his firm during the next five years.

Another way in which this contact will help the Central Banknote Company, as well as all other American Banknote companies, is by his influence in discouraging a move to install equipment here for the printing of the country's banknotes. This subject has been studied for some time, and just when Mr. Lewis reached town the final decision was about to be taken on the matter. The papers were in the hands of Mr. Issler and he was beginning work on the matter. Now that he has made this connection with Mr. Lewis, he has promised to recommend against the printing of the banknotes here and has showed us his report recommending against this. The proposal that was being studied was submitted by an Italian company, and all of the business of equipping Brazil to make her own notes would have gone to Italy.

Naturally, Issler's action is dictated primarily by his desire to improve his own financial position. The same is true of practically everyone in the Brazilian Government, whether they be in high office or low. Therefore, it is quite in line with Brazilian business practice and ethics for Mr. Lewis to take the action that he has taken in working with Mr. Issler through Mr. Haslop.

It is probably difficult for the average American business man to appreciate the situation here in this connection, and such methods would be avoided in the United States. However, such procudure as this is not unusual here, and it is fortunate that for once it is likely to result in benefit to an American firm. The latter is entirely protected, since Lewis is dealing, nominally at least, only with Haslop, while Haslop is, of course, only a stool pigeon for Issler. The Central Banknote Company will quote a price direct to Haslop, and Issler will do whatever he sees fit with the quotation, but he will be careful, of course, not to increase prices to such a point as to render the quotation non-competitive.

The fact of our putting Lewis in touch with these gentlemen may be considered as action tending to affect the business of an American firm already established in this market. Our defence is that we went to the representative of that company first, who refused to give us an ear and who was so thoroughly satisfied that no company could effectively compete with him, that he refused our offer of assistance. The proof that the business in bank notes was likely to be lost to American firms exists in the fact that the last order, amounting to 1,200,000 notes, was given to an Italian Company. Furthermore, the assistance given by us to the Central Banknote Company was no more than would be given to any other company in any line of business in the United States. We conceive it as our function to do the utmost for every inquiring American firm to enable such firms to acquire new business in this market.

From what I am able to gather now, it is extremely doubtful if the American Banknote Company will be seriously considered for the important five-year order that is to be dicided within the next few months. Hence our action in having assisted the Central Banknote Company to secure its present connection may be considered as having gone a considerable distance toward assuring American manufacturers of at least a fair chance to secure the business.

Very truly yours,

/s/ A. Ogden Pierrot,
Acting Commercial Attache.

ACP:KF.

C. P. R.
JUL 31 1930

July 31, 1930.

Mr. John Lane,
Caixa Postal 863,
Rio de Janeiro, Brazil.

Dear Mr. Lane:-

In order that you be informed about the Central Bank Note Company, I give you herebelow a little report concerning their financial standing, which may be, possibly, of use to you in interviewing the party in question to show that the concern is not of very much importance.

Furthermore, you may be informed that these people have never printed any bank notes; they are a commercial lithographic concern and furnish a few securities, especially steel tints with type printing.

Report

CENTRAL BANKNOTE CO. LITHOGRAPHING CHICAGO, ILL.
319-31 N. Albany Ave.
Branch- New York City, N.Y.
233-245 Spring Street

Fred R. Esty, President
George A. Winter, Vice President
Robert S. Rowe, Vice President
R. C. Mueller, V. President
Frederick Mayer, Secretary
S. Kenneth Smart, Treasurer
DIRECTORS: Same as above.

Incorporated under Illinois laws in April 1920 with an authorized capital of $4,800. which has been increased several times until $100,000. was reached and during early 1929 certified to a change in capital to 6,000 shares no par value.

ASSETS

Cash	$ 81,234.80
Accounts receivable	123,225.86
Notes receivable	600.00
Inventories	46,137.86
Machinery, Equipment, Furniture and fixtures	307,859.59
All other assets	21,654.75
Total assets	$ 580,712.86

LIABILITIES

Accounts Payable	$ 16,733.90
Accrued Wages & Salaries	5,198.39
Dividends declared	17,647.50
Reserves	135,793.44
Capital & Surplus	405,339.63
Total	$580,712.86

Approximate sales for 1929 - $875,000.

These figures accepted as a substantially correct showing of the financial condition of the business.

Business is conducted in a two story brick building adjoined by property of same construction and occupied by manufacturing concerns.

In the trade consulted during August 1929 five houses reported selling the account in amounts varying from $90. to $2,500. on regular terms.

On January 14th, 1928 suffered small fire loss which originated on second floor caused by spontaneous combustion of rubbish. Insurance of $136,500 carried and satisfactory adjustment said to have been made.

This report is of March 14, 1930. You will note from the list of officers that the gentleman's name, mentioned in the confidential report, does not appear on the list of officers I give you herewith. It is possible, however, that this new appointment has only been made lately, and we are investigating.

I feel confident that with this information you will be able to make a very good show of the financial standing of this concern compared with ours.

Sincerely yours,

JC:grl

J. C.
AUG -1 1930

ack'd
8/6/30

A. B. N. Co.
N. Y.

C. P. R.
AUG -6 1930

New York, August 1st, 1930.

EXBUF esnak	August 1st refer to your telegram of 10th
ESTEK abfun	refer to your telegram of 29th Act(ing)
AGZUL ensid	Director Caixa de Amortização
AXBES abgew	now admit (ting)
AJNUT axkih	Government has ordered
EBZOR azmeg	small quantity
AXFAK ebdub	of a (an) reprint
AKXYG ehmic	Italian Notas de 50 Milreis
ABRIJ ehmuc	and Notas de 200 Milreis
EFWIR ecfim	which are still
ADMYV abdix	in circulation on account of
AZKAV agmor	public (ly) deface(ing)
AXXEH axgav	portrait on our
EHMIC absid	Notas de 50 Milreis and of the
AGFID axfam	counterfeiting of our
EHMUC ecfex	Notas de 200 milreis stop
AJWAV ajmig	He gave

ACGYG azryp	as the only reason for
AKXYG ebdub	Italian reprint
ECSUJ eghic	time that we would
ECMUC azbov	take (to) prepare
AXWYJ abrij	new plates and
AKJYJ ahfic	does not imply dissatisfaction (with)
EDRED ecfex	us stop
AJWAV adnoh	He claims
AJNUT agwel	Government did not
AJTYV afwep	have to consult
EDRED ecfex	us stop
ALVUG ahnom aknom	My ?? (information)
AkWUH alzyv	is that (to) no
AZJEG ajlag	proposals have been asked to furnish
AMDAB ebbav	notes to replace
ABLOP axbes	all now
AdMYB absih	in circulation and that (those)
ECHEL ahjaj	such will not be done
AHKYM ensib	during this Administration
ECFEX ejdiz	stop Banco do Brazil

AKNOM ecfim	information still
AKWUH acjyr	is that (to) bank
ALKUG acjos	will be made Bank(s) of issue
AHWUN ahton	in the event of entire(ly)
ALZEG amdab	new notes
ADMUV adcig	circulation (of) but that (those)
AKXYF ahhix	it willnot be done
EGKUG ecfex	this year stop
QULYAS quselo	Luis Sole
EDHIV ensox	travel(ing) (s) salesman
ENPAK ecgar	De La Rue & Co., London, England have submitted
AZJUD ajlag	proposal(s) to furnish
ALKOB edgid	machinery to
AZFIR amdab	print note(s)
ABDOF azjud	acceptance (of) proposal(s)
EDNUV azguh	very unlikely It is very probable (that)
QUDACHL	Diehl
AXDUV addoh addoh	obtain(ed) access ~~calcul~~ate(ing) (d)
ENPAK azjud	De La Rue & Co., London, England proposal
EDGYF azgoh	to which it is probable that

EFPES acfom	was attach(ed)
EBCYJ alkad	detailed report made (by)
AJJUN agzul	former(ly) Director
ENSID erwol	Caixa de Amortização Refer to our letter of 28th
EVFEP hik	April 19
KAK ecfex	28 stop
ABFUN afjow	Act(ing) Commercial
ENSEC ahgim	Attaché do (does) not
ALBIH alwab	know name
AXJYP aczew	or business
AXFOM axvib	of the person
EFXOR abvuz	who approach(ed)
AJXOX ajwav	him He
EGHUN ecdun	would not state
EFTUD ebceg	what was (were) report (ed)
ERGAD ecviz	Washington, D.C. therefore
AGXIN akzag	difficult (to) judge
AJZYB agmym	his deduction (of)
ALSIF ecfex	at the moment stop
AKNYL epxib	Will keep you informed John Lane

(grl)

FORM ACM-1

C. P. R.
AUG -6 19

All America Cables

JOHN L. MERRILL, PRESIDENT

A. M. W.
AUG 1 1930

1930 AUG 1 A 10 40

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1930 AUG 1 A 10 42

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EBZORAZMEG AXFAKEBDUB AKXYGEHMIC ABRIJEHMUC EFWIRECFIM
ADMYVABDIX AZKAVAGMOR AXXEHAXGAV EHMICABSID AGFIDAXFAM
EHMUCECFEX AJWAVAJMIG ACBYGAZRYP AKXYGEBDUB ECXUJEGHIC
ECMUCAZBOV AXWYJABRIJ AKJYJAHFIC EDREDECFEX AJWAVADNOH
AJNUTAGWEL AJTYVAFWEP EDREDECFEX ALVUGAHNOM AKWUHALZYV
AZJEGAJLAG AMDABEBBAV ABLOPAXBES ADMYVABSIH ECHELAHJAJ
AHKYMENSIB ECFEXEJDIZ AKNOMECFIRM AKWUHACJYR ALKUGACJOS
AHWUNAHTON ALZEGAMDAB ADMUVADCIG AKXYFAHHIX EGKUGECFEX 15
QULYAS QUSELO EDHIVENSOX

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    Colon,
    Balboa,
    Panama.

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    Cartagena,
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    Bogota,
    Barranquilla,
    Cali.

VENEZUELA,
    Caracas,
    La Guayra,
    Vela de Coro.

CURAÇAO,
    Willemstad.

CUBA,
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    Santiago,
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    Havana.

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    Ponce,
    San Juan,
    Mayaguez.

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    Puerto Plata,
    San Pedro de Macoris,
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    La Vega.

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IN CONNECTION WITH

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—AND—

Canadian Pacific Railway Telegraphs for all Canada.

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EFPESACFOM EBCYJALKAD AJJUNAGZUL ENSIDERWOL EVFEPHIK
KAKECFEX ABFUNAFJOV ENSECAHGIM ALBIHALWAB AXJYPACZEW
AXFOMAXVIB EFXORABVUZ AJXOXAJWAV EGHUNECDUN EFTUDEBCEG
ERGADECVIZ AGXINAKZAG AJZYBAGMYM ALSIFECFEX AKNYLEPXIB

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FORM ACM-1

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ALL AMERICA CABLES, INC.
67 BROAD STREET
NEW YORK CITY
TELEPHONE: WHITEHALL 3100

C. P. R.
AUG 6 1930 30

48

OFFICIAL ADVICE

IN REFERENCE TO RIG19 DEL177

DATE AUG 1 1930

19

AUG -1 1930

TO: BANKNOTE NY

IN CABLEGRAM FROM

RIO OF DATE KINDLY READ 56TH

AXDUVABDOH .SENDERS CORRECTION

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access (to)

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RECEIVED
AMERICAN BANK NOTE COMPANY
70 BROAD ST.
P M
AUG -1 1930

AMERICAN BANK NOTE COMPANY.

Rio de Janeiro
TO
New York

SUBJECT Caixa de Amortização

C. F. R.
SEP 10 1930

Ack
& 9/9/30

Ackd [illegible]

DATE August 3rd, 1930

Receipt is acknowledged of your letter, "Brazil - Treasury Notes", of July 11th with enclosures as stated.

Your telegram to Bello Horizonte:

> July 28th. Refer to our telegram of 10th July, also refer to our letter of 11th July, Treasury notes. Much disturbed to be without any news. Stop. Have received further disquieting confidential information from another source. Stop. Your return at once to Rio de Janeiro is absolutely necessary. Stop. Must have full information at once. J. Claudet.

My reply:

> July 28th. Refer to your telegram of 28th. Am leaving to-morrow morning for Rio de Janeiro.

Your telegram to Rio:

> July 28th. Refer to our telegram of 10th July, also refer to our letter of 11th July, Treasury notes. Much disturbed to be without any news. Stop. Have received further disquieting confidential information from another source. Stop. Your return at once to Rio de Janeiro is absolutely necessary. Stop. Must have full information at once. Stop. Have telegraphed same message to John Lane, Bello Horizonte. J. Claudet.

Rio's reply:

> Refer to our letter of 12th July.

Your telegram to Rio:

> July 29th. Our further confidential information, refer to an interview of immense importance to our interests that Acting Commercial Attaché, Ogden Pierrot, had with our Mr. Allen early in May concerning an order for treasury notes. Stop. Result disastrous and an order for Notas de 50 Milreis and Notas de 200 Milreis was given to Pietro Miliani, Rome, Italy, although within our power to take it at nominal consideration. Stop. Suggest that you, as sole representative of American Bank Note Company, call and learn from him result of interview with Allen. You might acquaint Acting Commercial Attaché of British Chamber of Commerce report as an additional excuse to talk things over. Stop. By all means you must try and undo whatever has been accomplished and cable result. Stop. Are writing fully per steamer, "Eastern Prince". J. Claudet.

My reply:

> August 1st. Refer to your telegram of 10th, refer to your telegram of 29th. Acting Director Caixa de Amortização now admits government has

ordered small quantity of a reprint Italian Notas de 50 Milreis and Notas de 200 Milreis, which are still in circulation, on account of public defacing portrait on our Notas de 50 Milreis and of the counterfeiting of our Notas de 200 Milreis. Stop. He gave as the only reason for Italian reprint time that we would take preparing new plates and does not imply dissatisfaction with us. Stop. He claimed government did not have to consult us. Stop. My information is that no proposals have been asked to furnish notes to replace all now in circulation and that such will not be done during this administration. Stop. Banco do Brasil information still is that bank will be made bank of issue in the event of entirely new note circulation but that it will not be done this year. Stop. Luis Sole, travelling salesman, De la Rue & Co., have submitted proposal to furnish machinery to print notes; acceptance of proposal very unlikely. It is very probable that Diehl obtained access to De la Rue proposal to which, it is probable, was attached detailed report made by former director Caixa de Amortização, refer to our letter of 28th April, 1928, Stop. Acting Commercial Attaché does not know name or business of the person who approached him; he would not state what was reported Washington, therefore difficult judge his deductions at the moment. Stop. Will keep you informed. John Lane.

The Acting Director of the Caixa de Amortização, Snr. Gustavo Guimarães, had been transferred less than a year ago from one of the accounting departments of the National Treasury. I knew him there in connection with some of our petitions for payment. I considered him a friend of ours so that it appeared quite all right when he took the place of Snr. Corrêa de Sá, who is now in charge of the Instituto de Previdencia dos Funccionarios Publicos and still is, nominally, the Director of the Caixa de Amortização.

The reasons the Acting Director gave for ordering a reprint of the Italian 50 and 200 mil réis notes, which still continue to circulate, are quite specious, especially in connection with the 200 mil reis notes. While the counterfeit was fairly well done, there has been no outcry such as there has been against denominations printed by the Casa da Moeda and by Miliani.

As for the 50 mil réis notes, there enters a political element

WATERFALLS
BOND

due to the portrait of ex-President Bernardes. He was in the opposition camp during the last presidential campaign, resulting in the election of Julio Prestes. The opposition was rather strong from the three opposing states - Minas Geraes, Rio Grande do Sul and Parahyba do Norte - and has been renewed by the recent assassination of the President of the last, João Pessôa. Furthermore, and especially until about a year ago, many of these 50 mil réis notes were defaced by the public punching holes through the eyes of the portrait and writing all sorts of remarks on the notes. Bernardes had tremendous opposition all during his own term and was in much disfavor with the public outside his own State until last year.

However, with the ever imminent total renewal of all notes in circulation as part of the stabilization scheme, the government continually postponed having this denomination altered. There was disinclination to increase the already large number of estampas and to meet the possible cost of new plates.

The element of time is very lame argument. The facts are that either the Acting Director or, more probably, the Minister of Finance, did not give us the slightest opportunity and that the whole thing was done with unusual haste and secrecy. The mere fact that the Acting Director denied that any such order had been placed, having at first scouted the idea, and, until recently, gave evasive answers, is sufficient proof.

That is further borne out by his assertion to me that we had no monopoly for supplying Brasil with notes and that the government was not compelled to consult us. He was defending an unfair line of conduct,in a childish manner, assumed by himself or thrust on him by the Minister. Owing to the rapidity of the action, there may probably have been some pressure from the Italian government to obtain business, any kind of business.

It can be admitted that the government need consult no one as to its needs; its officials need not consult the law or regulations; it and they can be as arbitrary as they wish insofar as any supplier is immediately concerned: but the matter of a country's note circulation merits a different, a more sane attitude. The petulence of the Acting Director during the first few moments was a bureaucratic reaction to cover his unfair conduct.

The Casa da Moeda is naturally desirous of being equipped in some fashion to turn out notes which can be imposed on the country. De la Rue has presented a proposal to furnish such equipment. I believe that you informed me that they supplied the Bank of England with some printing machinery. To this proposal has undoubtedly been attached all papers in the Treasury and Caixa da Moeda which would include the report made by Snr. Corrêa de Sa in 1928. You will recall that he was most anxious to renew all the circulating notes, have them called in without reference to the stabilization plan, in order to be relieved of the numerous estampas and varieties of notes. But his intention was not to have the Casa da Moeda do the printing. Snr. Corrêa de Sa is still a good friend of ours and, in the present instance, strongly disapproves of the government's action.

Aside from the information from sundry sources that the retirement of all notes now in circulation will not be done by the present administration, which terminates on November 15th next, or during the current year, there is the fact that 75% of the gold, which was held prior to October last, has been withdrawn from the Caixa de Estabilização by the banks and shipped to Europe and the States. The mil réis has dropped in value from the rate maintained for 2½ years around 8$400 to 8$500 to the

RECEIVED
AUG 13 1930

dollar to 9$800. And most of the drop occurred during the past two two months. It would appear that the stabilization plan has received a decided setback.

General business conditions are very poor; the situation is considered bad and, by some, the political situation quite delicate. The government's revenues have decreased alarmingly and extraordinary expenditures have been cut. In short, Brasil, I would say, is in no position at the present time to attempt stabilization and that it will be doing well to meet its ordinary commitments.

Diehl undoubtedly had access to the De la Rue proposal and the accompanying papers. He saw a chance to do some business and to bargain around and must have taken the former Director's report to mean action at once to renew all the notes in circulation.

Diehl has a store on Rua Uruguayana near Floriano Peixoto. His main business, as far as I know, is Berta safes and metal beds. He may be all the manager of the British Chamber of Commerce says he is but the manager is probably overrating Diehl's standing and influence to lend force and basis to his own report and recommendations to British printing firms.

The Acting American Commercial Attache, Mr. Ogden Pierrot, I have known for a number of years. He had called to see me while I was out of town and saw Mr. Allen instead. As far as I can gather, he was acting XXXas an intermediary for a person who wanted to get in touch with us. As the information he transmitted from said person was such that Mr. Allen probably could not see the necessity or desirability of placing another party between us and the government. The Acting Director and Dr. Sampaio Corrêa of the Junta da Caixa both denied any intention of the government to order an Italian reprint. The Minister of Finance, through Senator Julio Barbosa,

RECEIVED
AMERICAN BANK NOTE CO.
AUG 18 1930

stated that the government had no intention of leaving a supplier of which it was certain for one it was not.

I asked the Acting ~~Director~~Commercial Attache if his informant were Diehl. He could not say as he does not know Diehl. He does not know the name, business or nationality of the man who approached him save that he spoke English like an Australian or a New Zealander. He knows absolutely nothing about him. It seems ~~stra~~strange that the Acting Commercial Attaché would not, at least, get some idea of a person desirous of treating through him with American business interests.

Mr. Allen knew Mr. Pierrot by sight and remembered his face when he called but he did not know his name or what business he was connected with, all of which Mr. Pierrot did not then make known. Our contact with our commercial attaché office has always been with Mr. Jackson who is expected back shortly from Washington.

In my conversation with Mr. Pierrot I attempted to get some idea as to his report to Washington. He referred to it as being a short memorandum and made a gesture as though it were of little importance. However, from your telegrams it would seem that his report would lead to the belief that a small commission to the man who approached him would have prevented the Italian reprint.

Until your letter, now on the way, is received, and being without definite details from Mr. Pierrot, it is rather difficult to judge at this end at the present time.

Yours very truly,

John Lane

JL

FOREIGN DEPT
A.B.N.CO.
A M
AUG 19 1930

RECEIVED
AUG 18 1930

C. P. R.
AUG -6 1930

August 6, 1930.

Private and Confidential

Mr. John Lane,
Caixa Postal, 863,
Rio de Janeiro, Brazil.

Re: Brazil Treasury Notes.

My dear Mr. Lane:-

I confirm receipt of your cable of August 1st, which we have decoded as follows:-

> August 1st refer to your telegram of 10th refer to your telegram of 29th Acting Director Caixa de Amortização now admit Government has ordered small quantity of a reprint Italian Notas de 50 Milreis and Notas de 200 Milreis which are still in circulation on account of public defacing portrait on our Notas de 50 Milreis and of the counterfeiting of our Notas de 200 milreis stop He gave as the only reason for Italian reprint time that we would take to prepare new plates and does not imply dissatisfaction with us stop He claims Government did not have to consult us stop My information is that no proposals have been asked to furnish notes to replace all now in circulation and that such will not be done during this Administration stop Banco do Brazil information still is that bank will be made bank of issue in the event of entire(ly) new notes circulation but that it will not be done this year stop Luis Sole traveling salesman De La Rue & Co., London England have submitted proposals to furnish machinery to print notes acceptance of proposal very unlikely It is very probable that Diehl obtained access (to) De La Rue & Co., London, England proposal to which it is probable that was attached detailed report made by former Director Caixa de Amortização. Refer to our letter of 28th April 1928 stop Acting Commercial Attaché does not know name or business of the person who approached him. He would not state what was reported Washington, D. C. therefore difficult to judge his deduction at the moment stop. Will keep you informed.

I take note from the same that the Acting Director of the Caixa de Amortização admitted to you that they had ordered a small quantity of notes of 50 and 200 milreis from the Italian firm.

I am wondering whether this Acting Director is not the party which I mentioned in my last report to you. When you have received the complete report sent you in the last mail, you may possibly connect his name, as being the deciding factor in the placing of that order. I would not be surprised to hear that he is the one responsible for the placing of that order.

I am pleased to learn from your report of your interview, that your information is still that the Banco do Brazil will be the sole bank of issue and that no inquiry has been made for new notes. This is good news. Personally I could not possibly imagine that such an inquiry could have gone around without your knowledge of it at the office. However, there are so many things going through now-a-days that you must always be on the lookout for somebody to trip you. That is what I was afraid of.

The result of your interview with the Acting Commercial Attaché would indicate that he has not been quite frank with you. I thought if you were to approach him under the pretext that you knew he had called at the office and had a conversation with our Mr. Allen during your absence, that he would be willing to divulge the result of his conversation, but evidently he kept perfectly quiet and would not say anything more. Therefore, it made it rather difficult for you to judge what deductions he has made.

However, when you are in possession of everything, you will surely be able to size up the situation and formulate an opinion of your own as to what has been engineered during your absence and without your knowledge.

Do not fail to write me a full report, addressed to me personally, as soon as you have ascertained all the facts in connection with this affair.

Trusting that you are keeping well and that everything is all right with you, I remain,

Very sincerely yours,

Vice President.

JC:grl

C. P. R.
AUG -8 1930

August 8, 1930.

Private and Confidential

Mr. John Lane,
Caixa Postal 863,
Rio de Janeiro, Brazil.

Re:- CENTRAL BANK NOTE COMPANY.

Dear Mr. Lane:-

With further reference to my last letter bearing on this above subject, the latest investigation reveals that there has not been any changes in the list of officers, excepting that a Mr. William J. Dooley has recently been elected an Assistant Treasurer. This is the latest.

I give you this information in view of the fact that Mr. Lewis seems to have been introduced as a Vice President of that concern. This information comes to us through R. G. . Dun & Co.

Yours very truly,

Vice President.

JC:grl

CABLE ADDRESS "BANKNOTE" RIO.

AMERICAN BANK NOTE COMPANY.
AVENIDA RIO BRANCO ~~109~~

CAIXA POSTAL 863.
RIO DE JANEIRO.

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REPRESENTANTE
JOHN LANE

C. P. R.
SEP 10 1930

J.C.
SEP -2 1930

Ack
9/9/30

August 19th, 1930

J. Claudet, Esq.,
Vice President.

Brazil - Treasury Notes

Dear Mr. Claudet:

I have your letter of July 30th to which were attached copies of sundry telegrams in connection with the above.

Since my letter of August 3rd to the Company, I interviewed the Minister of Finance. He immediately thought that I was referring to the Italian reprint and made, more or less, the same remarks as did the Acting Director da Caixa de Amortização. My object was solely to verify the reports coming through London and Washington regarding a large emission of notes.

He stated that the Government had ordered only the necessary supply of notes for current replacements (meaning from us and Miliani), that it was doing nothing clandestinely, and that it had not requested the presentation of any proposals. When such proposals were desired, the Government would ask for them publicly and openly.

The interview was a rather delicate one for me as I was, in a sense, running the risk of interpellating the Government; perhaps, impinging on what Brazilian government officials always employ in discussion, its liberty of action. However, in view of the equivocal conduct of the Acting Director da Caixa in connection with the Italian reprint, the interview seemed necessary.

I would say that the Minister, from his manner, was a bit incommoded which, I judge, was due to his realizing that the extreme haste in ordering the Italian reprint was unfair. I have no doubt but that he merely did just what he had been ordered to do.

Whether such action was caused primarily by the person mentioned in the report through Washington or by some necessitous politician, I do not know. I am inclined toward the latter, with the former, perhaps, being used as one of the intermediaries.

Yours very truly,

John Lane

JL

CABLE ADDRESS "BANKNOTE" RIO.

AMERICAN BANK NOTE COMPANY.

AVENIDA RIO BRANCO 109

CAIXA POSTAL 863.

RIO DE JANEIRO.

PLATES ENGRAVED ONLY ON CONDITION THAT THEY REMAIN IN THE CUSTODY OF THIS COMPANY.

REPRESENTANTE
JOHN LANE

C. P. R.
SEP 10 1930

Ack
9/9/30

August 20th, 1930

J. C.
SEP 2 1930

J. Claudet, Esq.,
Vice President.

Dear Mr. Claudet:

With your confidential letter of July 30th I received the copy of a confidential report mentioned therein. As requested, said report, together with the list attached thereto, has been destroyed.

From the information you send and from my interviews with Mr. A. Ogden Pierrot, our Acting Commercial Attaché, I would judge that he acted as he did through misconstruing Mr. Allen's manner. I can only say that Mr. Pierrot believed that he, as a government official, should be promptly known by anyone connected with American business interests. He said that he had met Mr. Allen in the other building where we had our office and where the commercial attaché's office then was. This Mr. Allen admits, that he remembers his face, having seen him in the elevator there occassionally, but that as to his name and occupation he had not the faintest notion when Mr. Pierrot called and proffered information from another undisclosed party.

Mr. Allen tells me that he told Mr. Pierrot that he had no objection to seeing the party referred to and he even believed that said party was waiting outside the office. However, it is obvious that Mr. Allen told Mr. Pierrot what he believed was the situation with regard to the total replacement of notes in circulation, that this administration would not do it, that it would be done by the Banco do Brasil, and that present government and market financial conditions made it quite improbable for the time being. In short, Mr. Pierrot received the impression that he was talking to a man who knew more about the situation than he, through his undisclosed informant, did. What was also in Mr. Allen's mind was that we paid no rake-off and were, therefore, disinclined to bring into our business with the government another party of unknown value.

It seems obvious that Mr. Allen talked about the replacement of all notes in circulation and not about a reprint since the government had just ordered notes from us. It also seems obvious that Mr. Pierrot did not know at that time what his undisclosed party really had in mind and that it was only later that he heard most of what he reported.

I can also realize that Mr. Allen emphasized his wide circle of acquaintances, which he really has, but he never means to be offensive by it. In this instance, it was unfortunate. I would certainly have insisted on seeing the man Mr. Pierrot was then in touch with. In fact, it is unwise not to insist on seeing anyone in a business so subject to political vagaries as ours is.

In addition to the personal pique Mr. Pierrot experienced, justly or not, he came to the conclusion that he had to save American business interests by placing his undisclosed party in contact with a firm about which he knew absolutely nothing. I told him that I regretted that he did not telegraph me or even telegraph the Company in New York in view of my absence. He could only reply that he would do so in the future.

I can only conclude that Mr. Allen made light of the matter through over-confidence.

I suggested to Mr. Pierrot that, since he did not know the name or business of the man who had approached him, he try to see Diehl. He would surely remember the man's face and, if he were really Diehl, I would like to be put in touch with him. In short, I wanted Mr. Pierrot to give me the facts about the persons involved and had hoped by this indirection that he might possibly do so. This would relieve me of the necessity of getting in touch with the party he knew and whom he was feigning ignorance of. I went as far as I could by stating that I could only surmise that some member of the Junta da Caixa de Amortização (which he had thought was extinct, evidently confusing it with the Caixa de Conversão) was mixed up in the Italian reprint order; that there were two members whom I knew very little about, Albano Issler and Dr. Francisco Barbosa de Rezende; and that the other three were men of wealth and would most probably not be mixed up in a deal of that kind. He would disclose nothing.

I asked him if he knew what Lewis of the Central Bank Note Company might be doing since Mr. Xanthaky of our Consulate had told me that he was still here. His only comment on this was that Lewis was a pest, and referred to some family difficulty of Lewis'. I told him that Mr. Jackson or Mr. Eickhoff had informed me quite some time ago that the Central BNCo. was sending out a travelling representative and that I had asked New York for a report on the concern which I had received. I wrote out a copy of the report (not on any of our paper) and sent it to Mr. Pierrot the next day without comment.

I know that Mr. Pierrot is quite friendly with me (he suggested that I have dinner at his house) and most probably would like to tell me all the facts. Undoubtedly, he must feel that the situation with regard to him personally is such that it would be placing him in an uncomfortable position by so doing. Seeing Issler and makingxour excuses will probably not escape Mr. Pierrot's knowledge. Issler himself may not like it either. However, there is no other remedy in order to get at the facts and to be guided accordingly.

Mr. Pierrot's informant's suspicion that Mr. Allen had some motive for concealing any knowledge of the business in question, asserting that we also had submitted a proposal, is not quite just. What had been submitted was our offer ~~tap~~ to print the notes which are now on our presses.

With reference to Mr. Pierrot's statement that his informant showed a letter from the Italian company guaranteeing him thirty contos commission, I would say that that is probably true. Five-sixths of that sum, I am informed, goes to Flavio Silveira, son-in-law of the Vice President of the Federal Senate. It seems quite ~~strange~~ strange that the informant should have abandoned the Italians for the Central Bank Note; or he is playing both of them.

The situation is being watched closely and I shall advise what steps we should take. ✓

My personal cable address in Rio is LANEJON, the same as in Buenos Aires, Montevideo and Santiago. Such telegrams will be delivered me at the house I am living in here. Mail, meant for my sole perusal, should be sent in plain envelopes and marked "Personal" or "Private". Mr. Allen never opens any letters addressed to me personally. He naturally opens telegrams addressed Banknote and letters in our printed envelopes when I happen to be away; otherwise all mail and telegrams are opened by me.

Yours very truly,

John Lane

JL

AMERICAN BANK NOTE COMPANY.

New York
to
Rio de Janeiro

C. P. R.
SEP -3 1930

SUBJECT CAIXA DE AMORTIZAÇÃO

DATE August 29,1930

In view of Mr. Claudet's absence from New York on a holiday, we are going to simply acknowledge receipt of your letter of August 3rd and hold it out of the files until he returns, since undoubtedly he will want to write you something further in answer to it.

Yours very truly,

Manager Foreign Department.

FWG/IW

September 9,1930.

John Lane,Esq.,
Caixa Postal 863,
Rio de Janeiro,Brasil.

Dear Mr.Lane:-

CAIXA DE AMORTIZAÇÃO

We have your letter of August 3rd, bearing on the above subject, receipt of which was duly acknowledged by our Mr. Gullett on August 29th, and which I found on my desk on my return from a short vacation.

I want to say that I have read your report of your interview with a great deal of interest. In connection therewith I also received both of your letters of August 19th and 20th,which were written after you had received all the details concerning this affair.

After all, I feel - in view of what you have to report - that the matter is not quite as serious as we had been led to believe from the various reports on this affair.

There is no question, however, but what the Acting Director of the Caixa de Amortização has not been quite fair with you and did some underhand work by deciding to place a reprint order with the Italian concern. It is true that the Government has a perfect right to place its orders wherever it pleases, but knowing how closely we have been connected with them for so many years and how we have been working with that Department, I could not believe that anything like this could have happened without your knowing something about it, and that is what worried us most. Judging from the result of your final interview I see the matter is not quite as serious as we thought it was. It must be watched,however.

Sincerely yours,

Vice President.

DUPLICATE SENT

JC/IW

Nov

17th

Quoted

STOP		STOP
	Erlor	Brazil
Esbym		refer to your letter of
	Ewnem	July
Abwab		have been approached
	Advav	by
Enfoc		Lazard Freres
	Erkyj	London

C. P. R.
DEC -1 1930

Acpar		on behalf of
	Ecbac	somebody
Axxos		possibly that
	Eblec	same
Axvib		person
	Eblex	saying
Axdaw		can obtain
	Afxyn	contract
Erlor		Brazil
	Amdab	notes
Adlib		are there any changes in
	Ebzof	situation
Axmyv		owing to
	Ebhag	revolution
Axjyp		or
	Egdor	do you wish us to
Albob		keep
	Axfep	off
Epxan		H. Leslie Hendriks

Answer in DEM

file "B.N. x Lon." #5

November 19,1930.

BANKNOTE(John Lane)

RIO(Brasil)

C.P.R.
DEC -1 1930

EZNUBecneb	November 19th Have a telegram from.....reading as follows
enpaf ERLOResbym	B.W.& Co.London Brazil refer to your letter of 17th
EWNEM abwab	July have been approached
ADCAVenfoc	by Lazard Freres
ERKYJacpar	London on behalf of
ECBACaxxos	somebody possibly that
EBLECaxvib	same person
EBLEXaxdaw	saying can obtain
AFXYN erlor	contract Brazil
AMDABadlib	notes are there any changes in
EBZOFaxmyv	situation owing to
EBHAGaxjyp	revolution or
EGDOR albob	do you wish us to keep
AXFEP ecmuz	off End of quotation from telegram
ABJOD axfom	Have advised them of the
EJDIZaxjaw	Banco do Brazil order
ECFEX edgul	Stop. Were told
ALBYDaxfep	to keep off

ECFEXaxxit	Stop. Can it be possible that
AJNIX abmat	the government will also
AKWIWamdab	issue notes

BANKNOTE

(IW)

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JAMES A. SCRYMSER, FOUNDER

VIA
ALL AMERICA

NUMBER
TIME
M M
CHECK

JOHN L. MERRILL, PRESIDENT

C. P. R.
DEC -1 1930

Send the following Cablegram, subject to the terms on back hereof, which are hereby agreed to.

VIA COLON

November 19,1930.

BANKNOTE

RIO(Brazil)

EZNUBECNEB ENPAFERLOR ESBYMEWNEM

ABWABADCAV ENFOCERKYJ ACPARECBAC

AXXOSEBLEC AXVIBEBLEX AXDAWAFXYN

ERLORAMDAB ADLIBEBZOF AXMYVEBHAG

AXJYPEGDOR ALBOBAXFEP ECMUZABJOD

AXFOMEJDIZ AXJAWECFEX EDGULALBYD

AXFEPECFEX AXXITAJNIX ABMATAKWIW

AMDABENPAB

Charles Haithwaite

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    Calle de la Independencia.
  City of Mexico.
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    266 Villalta
  Barranco.
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  Corocoro,
  La Paz.
CHILE,
  Iquique,
    Serrano 150,
  Antofagasta,
    Calle Washington No. 462.
  Valparaiso,
    Cochrane No. 583,
  Santiago,
    Huerfanos No. 1041,
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  Arica
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    Calle San Martin No. 625,
  Buenos Aires,
    Calle San Martin, y Sarmiento.
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  Montevideo,
    Calle 25 de Mayo y Esquina Zabala.
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    Rua 15 de Novembro No. 175.
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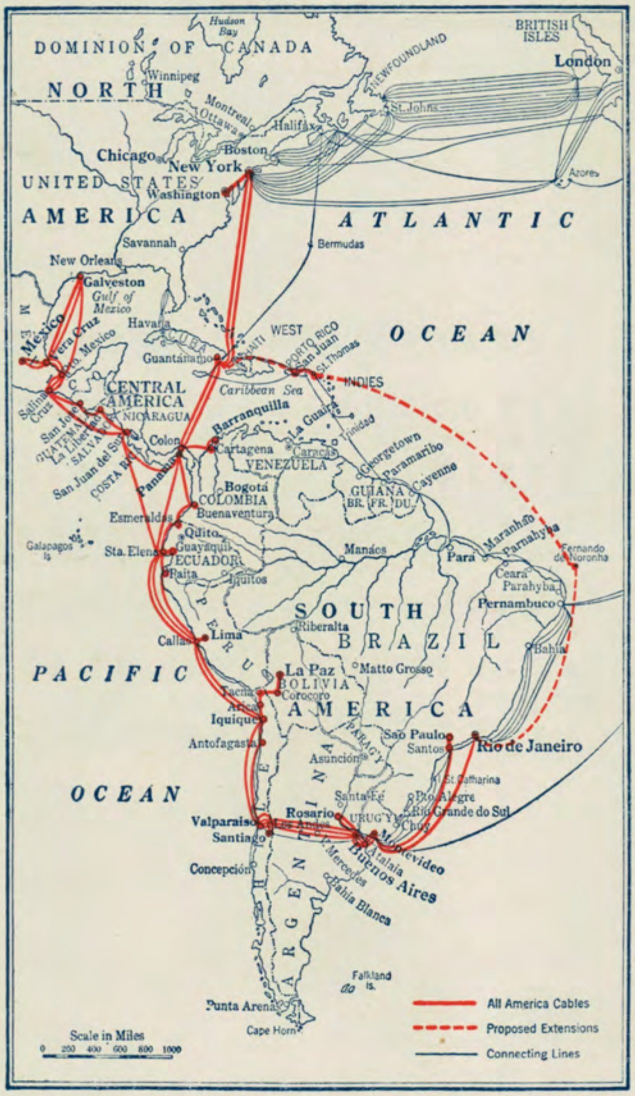
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AMERICAN BANK NOTE COMPANY.

Rio de Janeiro
TO
New York

SUBJECT Government Notes

C.F.R.
DEC -6 1930

DATE November 21 1930

Your telegram, received yesterday, reading-

> November 19th. Have a telegram from Bradbury, Wilkinson & Company reading as follows: Brazil, refer to your letter of 17th July. Have been approached by Lazard Frêres, London, on behalf of somebody, possibly same person, saying can obtain contract Brazil notes. Are there any changes in xxx situation owing to revolution or do you wish us to keep off. End of quotation from telegram. Have advised them of the Bancô do Brasil order. Stop. Were told to keep off. Stop. Can it be possible that to meet government requirements, also issuing notes? A.B.N.Co.

Just as soon as I can investigate the matter properly, I shall telegraph you.

in #593

I would here acknowledge receipt of your letter of November 6th, "General"; also your letters of August in 575 Amort. 15th, "Paper Money", and August 29th, "Caixa de Amortização".

Yours very truly,

JL

RECEIVED
DEC -6 1930
AMERICAN BANK NOTE COMPANY 70 BROAD ST.
A M

AMERICAN BANK NOTE COMPANY.

New York
to
Rio de Janeiro

SUBJECT BANK NOTES

C. P. R.
DEC -1 1930

DATE November 28, 1930.

Among other things in a recent cable from B.W. & Co. they stated they had been approached by Lazard Freres, in connection with a possible issue of Brazil notes. Upon receipt of their cable we quoted it to you under date of November 19th, as follows:-

> "November 19th, have a telegram from B.W.& Co. London, reading as follows: Brazil, refer to your letter of 17th July, have been approached by Lazard Freres, London, on behalf of somebody possibly that same person saying can obtain contract Brazil notes. Are there any changes in situation owing to revolution, or do you wish us to keep off. End of quotation from telegram. Have advised them of the Banco do Brasil order. Stop. Were told to keep off. Stop. Can it be possible that the Government will also issue notes."

Although we do not take any particular stock in the statement, the thought occurred to us that it was just possible the Government itself might be considering an issue of notes.

We at least have given you all the information we have, so you may be thoroughly posted on the situation.

Yours very truly,

FWG/IW

Manager Foreign Department.

DUPLICATE SENT

AMERICAN BANK NOTE COMPANY.

Rio de Janeiro
TO
New York

L

SUBJECT Government Notes

C.P.R.
DEC 30 1930

DATE December 9 1930

With reference to my letter of November 21st, I was informed by the Minister of Finance, Dr. José Maria Whitaker, in my interview with him yesterday afternoon that the government is not contemplating anything in connection with a new issue or reprints at the present time. In fact, he has not had time even to give any thought to such a matter. I offered our services and stated that we were ready to facilitate the government in any way we possibly can. The Minister has been ill for a week or ten days and has been away in São Paulo frequently. Aside from that, he has been so busy that it has been difficult to see him.

The Acting Director of the Caixa de Amortização, Dr. Gustavo Guimarães, died about ten days ago. No one has been appointed in his place thus far. It is probable that the effective Director, Dr. Corrêa de Sá, will not come back to the Caixa but will be made effective in the post he has been holding for nearly a year, President of the Instituto de Previdencia.

Yours very truly,

John Lane

JL

OTHER COPY IN
PACKET 575 - Amort

FOREIGN DEPT
A.B.N.CO.
A M
DEC 24 1930

RECEIVED
AMERICAN BANK NOTE COMPANY
70 BROAD ST.
A M
DEC 24 1930

AMERICAN BANK NOTE COMPANY.

New York
to
Rio de Janeiro

SUBJECT GOVERNMENT NOTES

C. P. R.
DEC 30 1930

DATE December 29,1930.

Your letter of December 9th is most interesting and we can fully understand that with conditions as they are, the present regime has hardly had time to find itself, much less consider bank note issues.

At any rate it does no harm to keep in touch with these various officials and let them know that we are ready to do anything we possibly can for them.

We take it that you can keep yourself quite busy trying to keep in touch with both the situation and new officials.

Yours very truly,

Manager Foreign Department.

FWG/IW

BRAZIL NOTES

December 30,1930.

C.P.R.
JAN -2 '31

We would again refer you to that part of your cable of November 19th, in which you told us that you had been approached by Lazard Freres on behalf of somebody in Brazil, saying that a contract could be obtained for Brazil notes.

Immediately upon receipt of your cable we quoted it by telegraph to our Mr. John Lane in Rio, who now replies that although he has seen each and everyone of the new Government officials, no one seems to know anything about even a prospective issue of notes other than the order which we advised you we had obtained from the Banco do Brasil.

As a matter of fact the new Minister of Finance told Mr. Lane the question of the Government issuing any notes has never as much as been thought of or mentioned. Under the circumstances it would be interesting to know where such an inquiry originated.

In a recent letter from Mr. Lane he tells us that things, both financially and politically, are still in a tangled shape. All federal, State and municipal legislative assemblies have been dissolved, and although interventors have been appointed for each State and the Federal District, there has not been time enough for those in power to even get their bearings.

D.E.W.

FWG/IW(Not on original)

1/28/31

Bradbury, Wilkinson & Co., Ltd.

D. [illegible]
JAN 28 1933

NEW MALDEN
TO
NEW YORK.

Subject BRAZIL NOTES.

C. P. R.
JAN 30 1931

Date 12th January, 1931.

We are in receipt of your letter of the 30th December, and think it may possibly be the same man who approached us through the British Chamber of Commerce, in Rio, regarding whom we wrote you. Having told Messrs. Lazard Frères that we did not care to take the matter up, we could not very well make a point of finding out for whom they were acting - it would scarcely have been a fair thing to ask. On the other hand, had we been willing to go into the matter further, they would naturally have disclosed the name of the party.

You will have seen, I presume, that Sir Otto Niemeyer, the Controller of the Bank of England, is about to visit Brazil, on the invitation of the Brazilian Government, with a view to making recommendations in respect of the reorganisation of their finances. I do not know if this will make any changes in the situation, whereby English firms might be asked to tender for the notes, but we have no doubt your Mr. Lane will closely follow this phase of the situation, and that you will at once communicate with us, should be it deemed expedient to make use of the second string to your bow.

BRAZIL NOTES

January 28,1931.

C P R
JAN 30 1931

I have your letter of January 12th, which I have turned over to the Foreign Department for their information.

FWG/IW (not on original) D.E.W.

AMERICAN BANK NOTE COMPANY.

New York to Rio de Janeiro

C. P. R. JAN 30 1931

SUBJECT BRAZIL NOTES

DATE January 28, 1931.

For your information we quote from a letter we have today received from B.W. & Co. London, dated January 12th:-

> "We are in receipt of your letter of the 30th December, and think it may possibly be the same man who approached us through the British Chamber of Commerce, in Rio, regarding whom we wrote you. Having told Messrs. Lazard Frères that we did not care to take the matter up, we could not very well make a point of finding out for whom they were acting - it would scarcely have been a fair thing to ask. On the other hand, had we been willing to go into the matter further, they would naturally have disclosed the name of the party.
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We can not help but feel a bit anxious, in view of Sir Otto Niemeyer's visit to Brazil.

Yours very truly,

Manager Foreign Department.

FWG/IW

DUPLICATE SENT